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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

E.T.I. EURO TELECOM INTERNATIONAL N.V.,

Plaintiff,

-against-

**REPUBLIC OF BOLIVIA and
EMPRESA NACIONAL DE
TELECOMUNICACIONES ENTEL S.A.,**

Defendants.

08 CV 4247 (LTS)

**REPLY DECLARATION
OF FRANCO BERTONE**

FRANCO BERTONE, declares the following to be true:

1. I am an Italian citizen, and until recently resided in La Paz, Bolivia.
2. I was employed as Chief Executive Officer of Empresa Nacional de Telecomunicaciones Entel S.A. ("Entel") from May 2006 through May 2008, when the Bolivian government forcibly took over the company's operations.
3. At the request of counsel to Plaintiff E.T.I. Euro Telecom International N.V. ("ETI"), I have reviewed certain declarations submitted to the Court by counsel to Entel. In particular, I have reviewed the Declaration of Mr. Joel Flores Carpio, the government-appointed "Interventor" of Entel, executed on June 10, 2008 (the "Flores Carpio Decl."), as well as the First, Second, and Third Declarations of Lorena Molina, Entel's Finance Manager, executed on

June 1 and 9, 2008 (the “First Molina Decl.,” “Second Molina Decl.” and “Third Molina Decl.,” respectively).

4. I am familiar with the matters set forth below, which are set forth to the best of my knowledge.

5. The general impression created by the Flores Carpio Declaration and the Molina Declarations is that Entel is in desperate need of the funds attached by ETI in New York and London to avoid imminent damage not only to Entel’s operations, but also to the Bolivian telecommunications infrastructure. This is not true. Entel has long generated ample cash to meet its operating needs, to make planned capital improvements, and to pay dividends and taxes. Indeed, even after meeting all of these obligations, Entel generated excess cash of \$51 million in 2006 and \$43 million in 2007. Thus, even if the government’s de facto takeover of Entel’s operations has led a number of Entel’s customers to switch to other providers, as suggested by Mr. Flores Carpio’s statements, the company will nonetheless, under any reasonable set of assumptions, generate more than sufficient cash to meet all of its needs going forward without access to the funds in the New York accounts that ETI has attached or the London accounts that ETI has frozen. I note that, as Ms. Molina’s declaration makes clear, virtually all of Entel’s cash flow is generated in Bolivia, and that Entel can now retain that cash in Bolivia to meet its financial needs.

6. Furthermore, Mr. Flores Carpio’s accusation that Entel, under ETI’s management, “was not committing the resources needed simply to maintain current level of services, apparently in an effort to maximize the amount of liquid assets it could keep abroad and also to extract the maximum amount of money from the company in the form of return of capital or dividends” is patently baseless. (Flores Carpio Decl. ¶ 19). To the contrary, as detailed in my

Declaration executed on May 4, 2008 (the "May 4 Decl."), Entel, under ETI's management, made investments in infrastructure and technology, on a consolidated basis, in an amount exceeding \$741 million from 1996 through 2007, and significantly expanded service to all regions of Bolivia, increasing fixed and mobile telecommunications penetration dramatically. Thus even after the substantial investments made in connection with the privatization (for which ETI contributed \$610 million to Entel), Entel, under ETI's management, continued to make capital investments in the range of \$30 million annually through 2007.

7. I address certain of Mr. Flores Carpio's and Ms. Molina's statements in more detail below.

A. Entel's Operations and Infrastructure

8. Entel is one of many Bolivian telecommunications providers. It is one of three suppliers of mobile telephone service, one of more than twelve long distance telephone service providers, one of approximately sixteen local telephone service providers, and one of two or three dozen internet providers. While it is true that Entel provides the "backbone" for much of the Bolivian telecommunications market, it is also true that the majority of the other providers have their own cable, radio and satellite infrastructures, and would be well positioned to provide the necessary backbone in the extremely unlikely event Entel were no longer able to do so.

9. The Bolivian government has no ownership interest in any of the telecommunications providers other than Entel.

10. While it is true that Entel is the oldest telephone company in Bolivia, it is not true that it has the most aged and deteriorated infrastructure. (Flores Carpio Decl. ¶ 11). To the contrary, as the direct result of Entel's extensive capital investments under ETI management, Entel has a state of the art infrastructure. It is the most modern infrastructure of any of the

Bolivian telecommunications operators, and among the most modern of any Latin American telecommunications company. For example, Entel's GSM network was installed in 2001.¹ In 2005, the network was upgraded to "G2.5", in order to provide "Edge" data service. By the end of 2007, all of the GSM switches were replaced with "soft-switch" technology, with sufficient capacity for projected subscriber growth through 2010.

11. The adequacy of Entel's infrastructure is demonstrated by its ability to service its rapidly expanding customer base. For instance, in 2007 alone, Entel's GSM mobile telephone service customer base grew by approximately 36% to over one million subscribers. See Entel Financial-Economic & Management Report, December 2007 (the "2007 Board Presentation"), a copy of which is attached as Exhibit 1, p. 37. Similar growth was projected for 2008.

12. The company's total customer base when the Bolivian government issued Supreme Decree No. 29544 (the "Nationalization Decree") expropriating ETI's equity interest in Entel was approximately 2 million subscribers.

13. The company's infrastructure is more than sufficient for the growth anticipated for 2008. Indeed, while capital expenditures were budgeted for 2008 in light of the company's projections for continuing growth, the planned improvements were not scheduled to be in service until 2009, and the company's network has significant excess capacity.

B. Entel's Cash Position

14. As a direct result of Entel's investments in its infrastructure over the past decade of ETI management, which permitted it to support its rapidly growing customer base, Entel consistently has generated far more cash than is needed to fund its operations, technical and capital investments, taxes and dividends.

¹ GSM is the most widely used mobile technology of the world.

15. Throughout 2006 and 2007, Entel generated, almost entirely in Bolivia, approximately \$8-\$10 million of “free cash” (i.e., revenues after operating expenses and technical and capital investments) per month, or approximately \$100-\$120 million in free cash each year. As I describe below in paragraphs 22 through 30, those funds were routinely transferred to accounts in New York and London for safekeeping and cash management purposes.

16. Even after paying the maximum amount of dividends permitted by Bolivian law (95% of profits) and all applicable income taxes, Entel generated \$51 million of excess cash in 2006 and \$43 million of excess cash in 2007. These figures are reflected in the cash flow schedules prepared by Entel’s Finance Manager that are attached as Exhibits 2 (2005), 3 (2006), and 4 (2007), respectively.²

17. Entel was projected to enjoy continued revenue growth in 2008. The company has, moreover, consistently met or exceeded its projections since ETI assumed the company’s management in 1995. For instance, Entel’s first quarter 2008 revenues were projected to be 577 million Bolivianos (the local Bolivian currency), reflecting a 5% improvement over the first quarter of 2007. The company exceeded this projection, with revenue of 595 million Bolivianos through March 31, 2008, reflecting an 8% improvement over the first quarter of 2007. See Financial-Economic & Management Report, Consolidated as of March 2008, attached as Exhibit 5; see also the 2007 Board Presentation (Exhibit 1) showing that 2007 revenues exceeded

² These schedules show that (1) total available cash as of December 31, 2006 was \$103.9 million, exceeding the available cash at December 31, 2005 of \$52.7 million by \$51.2 million; and (2) total available cash as of December 31, 2007 was \$146.9 million, exceeding the 2006 year end number by \$43.0 million.

projections by 6%, and the Consolidated Financial-Economic & Management Report, 2006, attached as Exhibit 6, showing that 2006 revenues exceeded projections by 7%. The company's considerable revenue growth under ETI's management is depicted in the chart titled "Revenue & Margins" appearing at page 8 of the 2007 Board Presentation.³

C. Entel's Planned Capital Expenditures

18. Under ETI's management, Entel budgeted \$38 million for capital investments to be made in 2008. These capital improvements were planned in the ordinary course of Entel's annual capital improvements to support the company's anticipated continued growth, and were to be paid for out of current cash flows from operations.

19. Whether or not the company in fact failed to meet its growth projections for May 2008 (which would actually improve the company's short term cash position in light of certain expenses that are incurred when a new subscriber is acquired), it is difficult for me to imagine a scenario in which its current cash is not sufficient to pay for the planned capital expenditures. The same is true even if the company makes the additional \$20 million in investments that Mr. Flores Carpio proposes.

20. Payment for these capital investments would not be made for another 12 to 18 months. Consistent with industry norms, payment for capital investments is not made until the improvements are completed, tested and approved for payment. The build-out takes approximately one year, and payment is made approximately six months later.

21. If Entel were to continue generating cash at 2006 and 2007 levels, it would take it at most a few months to generate cash sufficient to pay for the \$20 million in capital

³ Each of these presentations was presented to and approved by the company's Board of Directors.

improvements envisioned by Mr. Flores Carpio, and the company's cash flow would still be more than adequate to pay for the \$38 million in capital improvements planned for 2008 under ETI's management, along with operating expenses, income taxes and dividends.

D. The New York Accounts

22. When ETI assumed management control of Entel in 1995, it adopted and implemented a treasury policy of maintaining in Bolivia only those funds required for current operations, and converting excess cash into hard currency that was then deposited in accounts maintained in New York and London. Funds were repatriated only when needed to pay taxes and dividends, typically in a single large transfer each year. The Bolivian government-sponsored pension funds that held 47.5% of Entel's stock until April 2007 never complained about this policy, which remained in place, and was consistently implemented, throughout the period of ETI's management of the company from 1995 through April 2008. Nor did the Bolivian government object to the treasury policy after it nationalized the pension funds' shareholding in April 2007.

23. This treasury policy served two purposes. First, it served as a hedge against the risk of local currency devaluation. Second, investing these funds in the world's largest, best developed financial markets ensured the security of this excess cash from both a business and a legal perspective.

24. The policy was very successful as a currency hedge. Even with the rapid devaluation of the U.S. dollar over the past year, the Boliviano has devalued significantly as compared to the dollar since the policy was put in place. While the exchange rate was approximately 5 Bolivianos to the dollar when the company instituted this treasury policy in 1995, the exchange rate is now approximately 7:1. Moreover, the company began converting the

excess cash into Euros over the past year to counteract the devaluation of the dollar. Thus, this treasury policy has provided significant value for the company and its shareholders.

25. Ms. Molina's description, in the First Molina Declaration, of the purposes for which the various New York accounts were used is largely accurate. Specifically, the JP Morgan Chase account with an account number ending with the numbers 757 (the "JPM 757 Account") was a master account into which Entel deposited primarily funds generated by its Bolivian operations, and also interconnection payments received by Entel from foreign carriers. Funds were transferred from this account to Entel's New York accounts at Banco Intesa and Unicredito, a separate account at JP Morgan Chase with an account number ending in 752 (the "JPM 752 Account"), and Entel's accounts with Deutsche Bank in London.

26. As Ms. Molina correctly describes, of these accounts, only the JPM 752 Account was used for third-party hard currency transactions. As reflected in Ms. Molina's statement, moreover, these payments – which were partially offset by payments of interconnection fees received from foreign telecommunications carriers – accounted for only approximately 12-19% of the company's total expenses in 2006 and 2007, the years for which she provides the relevant figures. (First Molina Decl. ¶¶ 6-8). Other hard currency payments were made by converting Bolivianos into U.S. dollars in Bolivia and then paying them to suppliers. I observe in this regard that the company routinely converted all of its Boliviano-denominated revenues that were not required for payments in local currency into hard currency either for transfer to the New York and London accounts or for payments to suppliers and others.

27. I understand that approximately \$1.7 million was in the JPM 757 Account when it was attached and only approximately \$118 thousand was in the JPM 752 Account when it was

attached, as reflected in the May 9, 2008 letter from JP MorganChase annexed to this Declaration as Exhibit 7.

28. As discussed above, it is true that dividends and income tax payments were made out of the Banca Intesa and Unicredito accounts. Typically no other significant payments or transfers were made out of the Banca Intesa or Unicredito accounts.

29. The payments for 2007 dividends and income taxes were made before the accounts were attached. Specifically, 2007 dividends were paid in February 2008, with the Bolivian government receiving approximately \$35 million in respect of its 47.5% shareholding, and income taxes were paid on April 30, 2008, the day before President Morales issued Supreme Decree No. 29544.

30. Thus, the status of the New York accounts can be summarized as follows:

(1) The JPM 757 Account was largely irrelevant to the company's business.

It was used as a point to receive funds and distribute them to the company's other accounts, but, as Ms. Molina correctly states, "[n]o payments of any kind are made from this 757 Account at J.P. Morgan except on rare occasions." (First Molina Decl. ¶ 7).

(2) While the JPM 752 Account was used to make a portion of the company's hard currency payments, the sources for those funds – cash generated by the company's operations in Bolivia and interconnection payments from foreign carriers – remain available to the company. The balance in the account when it was attached was de minimis.

(3) The Banca Intesa and Unicredito accounts were used to accumulate excess cash. Funds were repatriated to Bolivia only when needed, typically in a single, large transfer, for annual dividend and tax payments. These payments already had been made for 2007 before the accounts were

attached, and the company, under any reasonable set of assumptions, will generate more than adequate cash going forward to meet all of its obligations for 2008.

E. Entel's Reserves

31. It is my understanding that Bolivian law precludes Entel from distributing more than 95% of annual profits as dividends. The remaining 5% of profits, if any, is to be held in reserve.

32. It is my understanding that the reserve requirement is for an accounting reserve, and that it need not be maintained in cash or other liquid assets.

F. Entel's Ability to Obtain Credit

33. Mr. Flores Carpio states that Entel will be unable to obtain "international financing" because "Entel has no existing lines of credit or credit history with foreign banks. . . ." (Flores Carpio Decl. ¶ 13). It is true that Entel has no existing lines of credit with foreign banks. This is because it has never required credit from foreign banks. As discussed above, it generates approximately \$40-\$50 million annually in cash in excess of what it needs to pay for its operations, technical and capital improvements, taxes and dividends, and thus has no need for such financing.

34. Entel does have lines of credit with local Bolivian banks that it has never drawn down. These presumably remain available if the company has short term cash needs.

35. Similarly, while Mr. Flores Carpio cites difficulties in obtaining supplier financing on the same terms that the company had obtained in the past, the company had never used the funds in its foreign accounts, or its other assets, to guarantee payments to suppliers. While the change in de facto operational control over the company may have led suppliers to

demand different terms than they required when the company was managed by ETI, that does not change the fact that the company generates more than adequate cash, and has local credit lines available, to meet its commitments to suppliers.

G. Amounts Claimed from Entel by the Bolivian Government

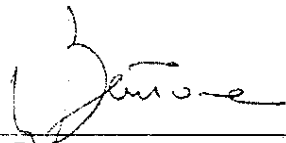
36. As Ms. Molina states in her Third Declaration, the Bolivian government claims that Entel owes it more than \$60 million in taxes, penalties and interest in connection with the capital reduction made in 2005. (Third Molina Decl. ¶ 12).

37. In fact, as reflected in the Power Point slides that the Bolivian government presented at the April 2007 meeting that I attended on behalf of ETI (a copy of which is attached to my May 4 Declaration as Exhibit 3), the Bolivian government claims that the total outstanding taxes, with penalties and interest, due from Entel amount to \$82.2 million. (May 4 Decl., Exh. 3, Slides 14, 16).

38. The Bolivian government also claimed, as reflected in the Power Point presentation, that Entel owed it very substantial additional sums, including \$16.7 million in fines and penalties for a claimed failure to meet investment goals, and \$21.5 million in surcharges on purchases in excess of \$500,000. (May 4 Decl., Exh. 3, Slide 16).

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 23, 2008



Franco Bertone


EXHIBIT 1



entel

Financial-Economic & Management Report December 2007

Confidential and Privileged Information
For the Board of Entel S.A.
February 12, 2008



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Confidential and Privileged Information
For the Board of Entel S.A.
February 12, 2008



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Highlights

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For the Board of Entel S.A.
February 12, 2008



	Actual December 2007 v. December 2006	Non-recurring Transactions	Pro Forma
Income	+13%	+1%	+12%
EBITDA	+17%	+3%	+14%
EBIT	+41%	+6%	+35%
Net Income	+46%	+8%	+38%

Traffic on Network +12%

ARPU Mobile Customers +6%

313,000 New Mobile Customers - Net

Offset of the Effects of Tariff Decree DS 29884

Advance to 2007 of Mobile Core Network Expansion

Inclusion of In-Person and Call Center Customer Service with Datacom SRL

Expansion of Rural Coverage Project to 180 Radio Bases

Income Statement

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For the Board of Entel S.A.
February 12, 2008



	December			
	2006 Actual	2007 Budget	2007 Actual	% Change v 06 v Bdgt
Millions of B\$				
Gross Income	1,966	2,101	2,225	13% 6%
Interconnection Cost	(312)	(313)	(416)	33% 33%
Net Income	1,654	1,788	1,808	9% 1%
Third-Party Expenses	(584)	(643)	(608)	4% -6%
Payroll	(120)	(173)	(151)	26% -13%
Gross Margin	950	972	1,049	10% 8%
Bad Debts	(71)	(44)	(19)	-73% -56%
Inventory Devaluation	(1)	(1)	(1)	-28% -47%
EBITDA	878	927	1,030	17% 11%
	45%	44%	46%	
Depreciation & Amortization	(379)	(364)	(326)	-14% -10%
Operating Income	500	563	703	41% 25%
Extraordinary Mgmt Balance	(13)	(12)	(17)	29% 36%
EBIT	487	550	686	41% 25%
	25%	26%	31%	
Financial Mgmt Balance	29	32	28	-3% -14%
EBT	515	582	714	38% 23%
Taxes - I.U.E.	(109)	(127)	(122)	12% -4%
Net Earnings	406	455	591	46% 30%
	21%	22%	27%	

Balance Sheet

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For the Board of Entel S.A.
February 12, 2008



	December				% Change v 06	v Bdgt
	2006 Actual	2007 Budget	2007 Actual			
Millions of B\$						
Assets	3,851	4,069	4,125	7%	1%	
Current	1,540	1,750	2,076	35%	19%	
Non-current	2,311	2,319	2,048	-11%	-12%	
Liabilities & Shareholders' Equity	3,851	4,069	4,125	7%	1%	
Current	674	687	871	29%	27%	
Non-current	79	89	73	-8%	-18%	
Shareholders' Equity	3,097	3,292	3,180	3%	-3%	

Cash Flow

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For the Board of Entel S.A.
February 12, 2008



Millions of B\$	December			
	2006 Actual	2007 Budget	2007 Actual	% Change v 06
Cash at Beginning of Period	395	644	838	112%
Operating Income	1,724	1,941	1,888	10%
Operating Expense	(651)	(829)	(809)	24%
Investments	(61)	(235)	(104)	71%
Operating Cash Flow	1,013	876	975	-4%
Financial Income - Expense	21	27	40	94%
Taxes	(316)	(342)	(350)	11%
Exchange Rate Adjustment	(1)	34	(32)	3216%
Free Operating Cash Flow	717	595	633	-12%
Dividends	(300)	(310)	(361)	20%
Capital Reduction	(4)	(2)	(0)	-97%
Net Flow	413	284	272	-34%
Accounting Reconciliation	30		6	-4%
Cash at End of Period	838	928	1,116	33%
				20%

Financial Management

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For the Board of Entel S.A.
February 12, 2008



	December			
	2006 Actual	2007 Budget	2007 Actual	% Change v 06 v Bdgt
Financial Mgmt Balance	29	32	28	-3% -14%
Financial Income	33	29	29	45% 07%
Financial Expenses	(4)	(1)	(2)	191% 133%
Financial Income & Expenses Differences	1	5	(1)	80% 91%
Financial Income & Expenses Differences	1	5	(1)	2173% 139%

*Translator's Note: ITF: Impuesto a las Transacciones Financieras (Tax on Banking Transactions)

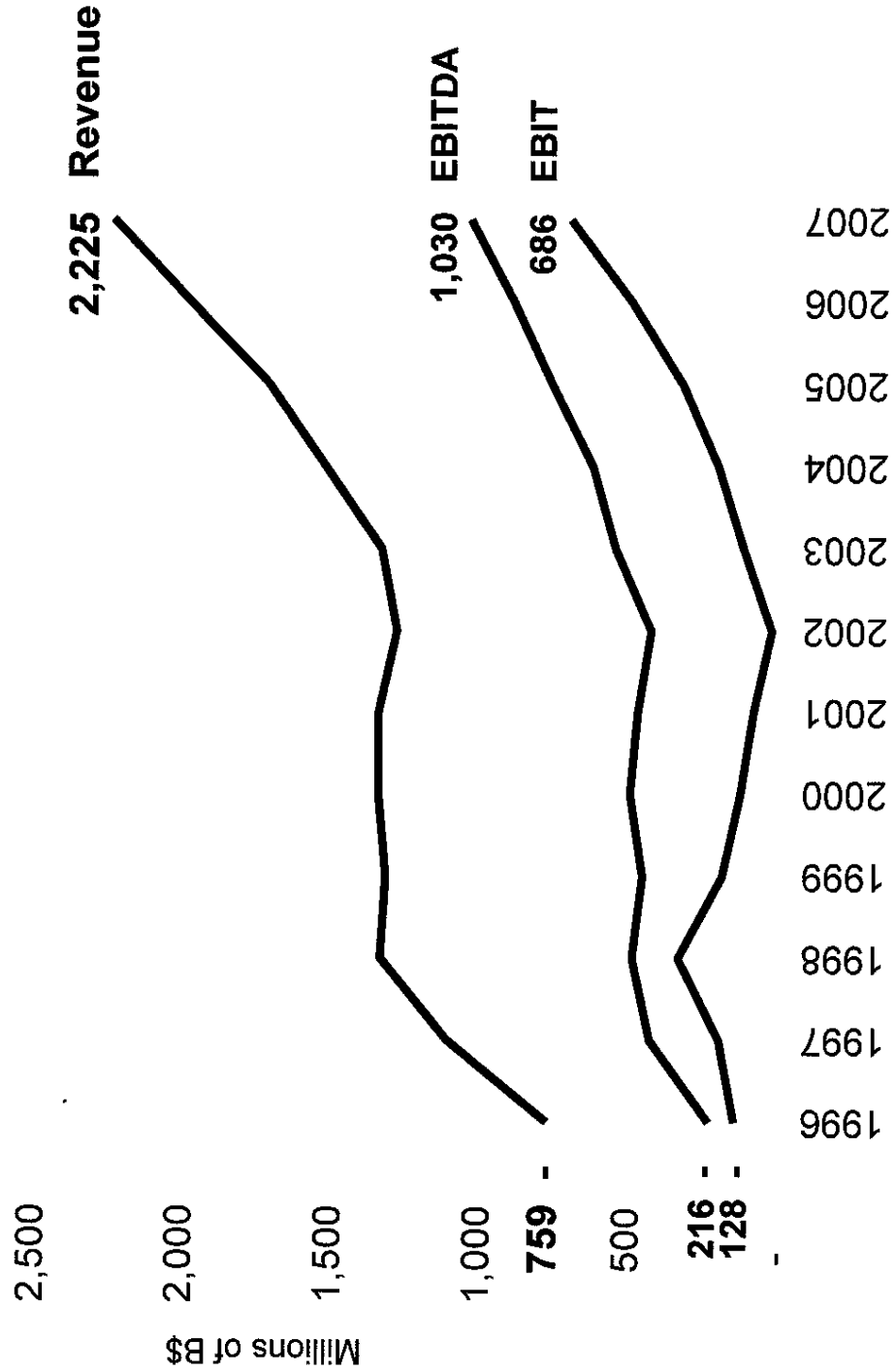
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For the Board of Entel S.A.
February 12, 2008



Revenue & Margins

Since 1996, Entel's revenues have increased by roughly a factor of 3 and EBITDA & EBIT margins by roughly a factor of five.

The largest growth was seen after the opening of the market in November 2001.

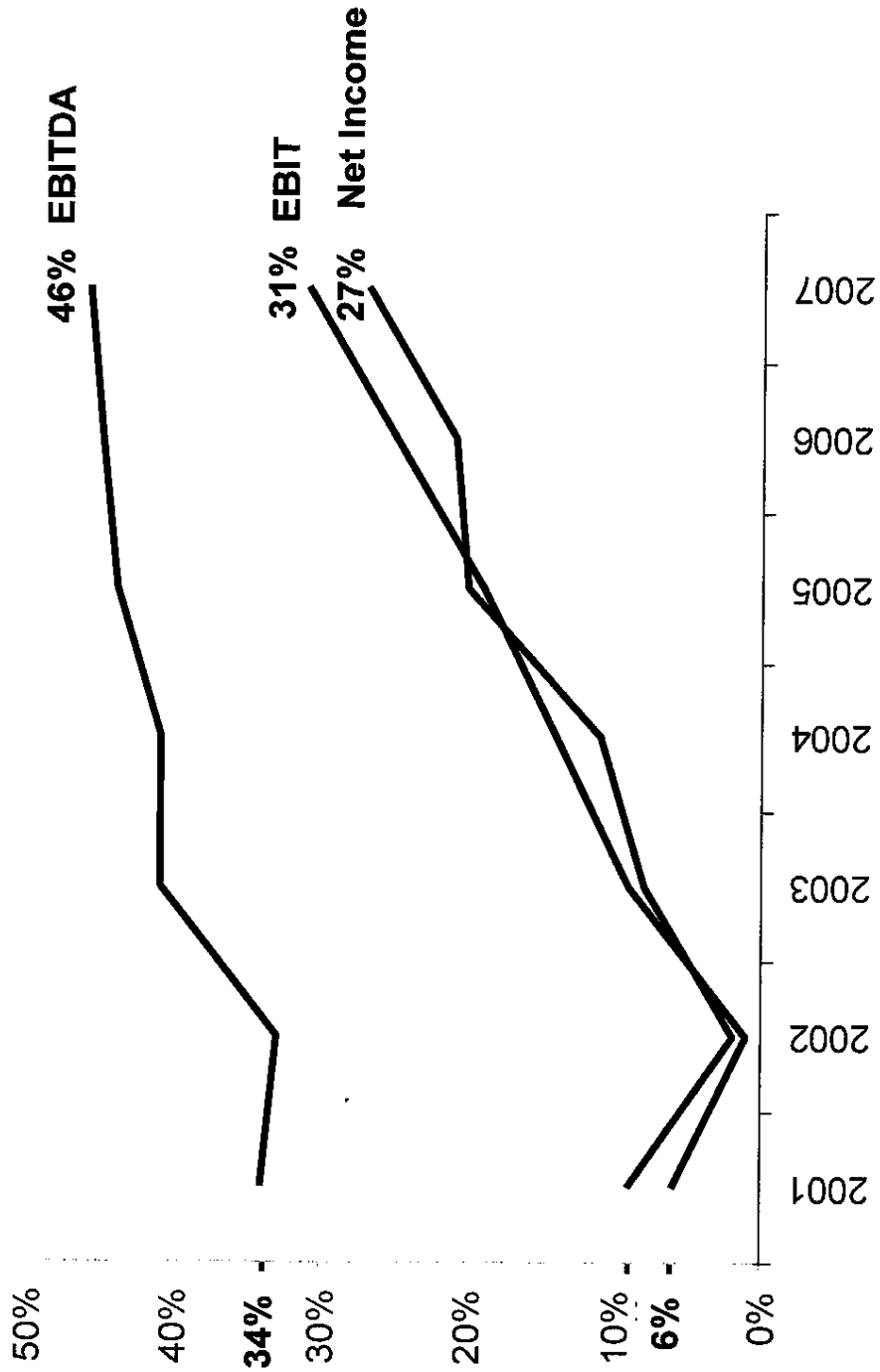


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For the Board of Entel S.A.
February 12, 2008

Operating Indicators



The Company's Operating Profitability Indicators have seen sustained growth in spite of strong competition among the four mobile operators, 16 long-distance operators and 18 local services providers in the Bolivian market.

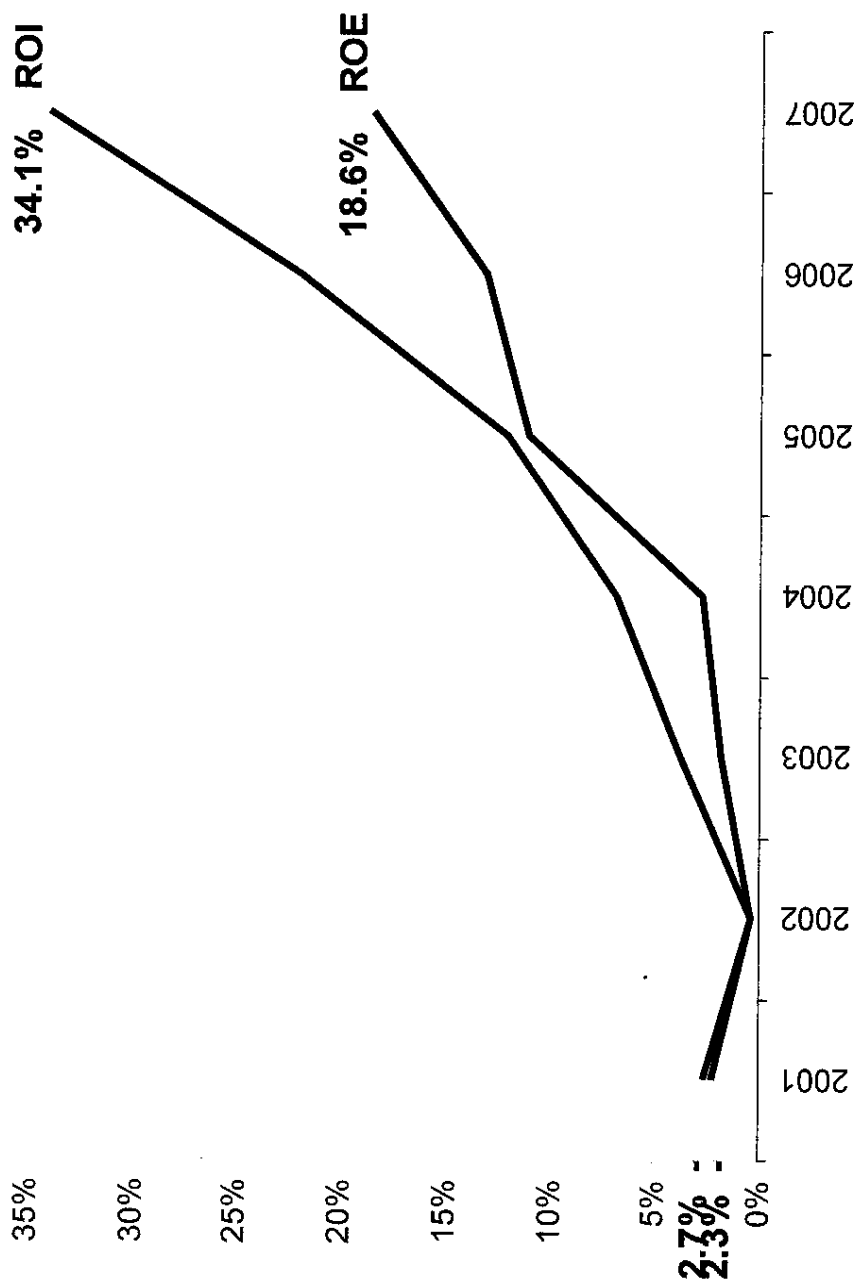


Equity Indicators

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For the Board of Entel S.A.
February 12, 2008



The Company's ROI and ROE benefited from growing levels of Operating Profitability as well as the increased efficiency of the capital structure achieved with the 2005 Capital Reduction.

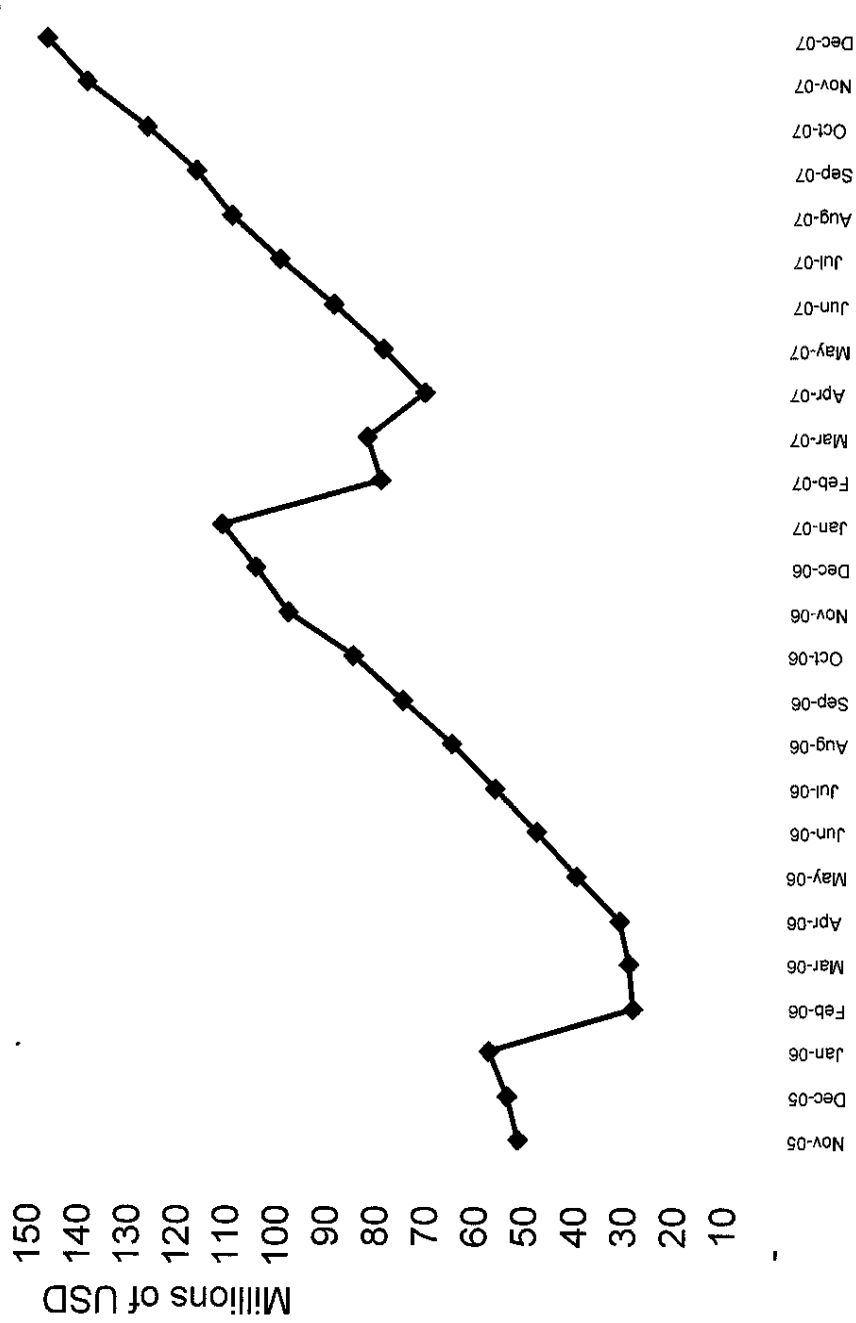


Financial Availability (Cash & Banks)

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For the Board of Entel S.A.
February 12, 2008



Financial Availability has remained above the goals established for the 2005-2007 period by the Annual Shareholders' Meeting of September 20, 2005, which adopted the Capital Reduction.



Cash & Banks committed at the Shareholders' Meeting of Sep 20, 2005

Gross Income

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For the Board of Entel S.A.
February 12, 2008

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	December				
	2006	2007	2007	% Change	
Millions of B\$	Actual	Budget	Actual	v 06	v Bdt
Total	1,966	2,101	2,225	13%	6%
Telephony	1,314	1,374	1,507	15%	10%
Non-Telephony	295	323	267	-9%	-17%
Interconnection	272	337	350	28%	4%
Phone Sales	36	40	40	13%	1%
Other	50	27	60	22%	122%
Fixed	1,004	1,026	989	-1%	-4%
Telephony	761	789	731	-4%	-7%
Subscript. & Charges	11	15	10	-13%	-32%
Special Services	61	59	65	6%	10%
Entelnet	91	109	102	12%	-7%
Wholesale Services	33	37	35	6%	-4%
Interconnection	14	4	6	-58%	34%
Phone Sales	3	3	1	-65%	-68%
Other	29	11	41	42%	288%
Mobile	962	1,075	1,235	28%	15%
Telephony	552	585	776	41%	33%
Subscript. & Charges	53	61	52	-2%	-14%
Card Sale Difference	(4)	(13)	(68)	1650%	426%
VAS	49	57	73	49%	30%
Phone Sales	33	37	39	19%	7%
Interconnection	258	332	344	33%	3%
Other	20	17	19	-7%	15%

Interconnection Cost

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For the Board of Entel S.A.
February 12, 2008



	December			
	2006 Actual	2007 Budget	2007 Actual	% Change v 06 v Bdgt
Millions of B\$				
	312	313	416	33%
Local	96	99	152	58%
National	165	165	203	23%
International	51	49	61	20%

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For the Board of Entel S.A.
February 12, 2008



Third-Party Expenses

	December			
	2006 Actual	2007 Budget	2007 Actual	% Change v 06 v Bdgt
Millions of B\$				
	584	643	608	4% -6%
Selling Expenses	254	269	296	16% 10%
Operating Expenses	173	227	186	7% -18%
General Expenses	138	126	104	-24% -17%
Contribution to Superintendence	19	22	22	18% 3%

Selling Expenses

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For the Board of Entel S.A.
February 12, 2008



Millions of B\$	December			% Change v 06 v Bdat
	2006 Actual	2007 Budget	2007 Actual	
	254	269	296	16%
Cost of Goods & Services	42	44	40	-6%
Collection Fees	14	15	12	-14%
Commissions & Discounts	131	146	187	42%
				28%
of which:				
Fixed Sales	3	4	2	-16%
Mobile Sales	23	31	47	101%
Interchange	7	7	28	68%
Calling Cards Sales	68	68	68	0%
Goods and Telephony	41	48	43	-11%
Agente Sales	1	1	1	0%
Invoicing	2	3	2	-28%
Commercial Advertising	46	51	53	4%
Other Selling Expenses	20	9	2	-88%
				-74%
of which:				
Outsourcing	16	1	1	92%
Other	4	9	2	-61%
				80%

Advertising & Promotion

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For the Board of Entel S.A.
February 12, 2008



	December	
	2007	2007
Millions of B\$	Budget	Actual
Events, Sponsoring & Promotion	51.2	53.1
Media	16.4	15.9
Print	19.1	19.2
Radio	3.4	3.4
TV	2.2	2.2
Advertising	13.6	13.6
Outdoors	15.3	17.5
Printed brochures	3.8	3.8
Other	6.6	6.6
	0.3	0.5

Operating Expenses

Confidential and Privileged Information
For the Board of Entel S.A.
February 12, 2008

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Millions of B\$	December				% Change
	2006 Actual	2007 Budget	2007 Actual	v 06	
173	173	227	186	7%	-18%
Operating Leases	57	77	71	24%	-7%
of which:					
Frequencies	26	30	29	17%	-11%
Satellite equipment	22	24	21	4%	-19%
Other	7	18	14	112%	-20%
Maintenance 103	103	135	103	-1%	-24%
of which:					
Switching Equipment	15	26	17	11%	-43%
IT Equipment	16	19	17	2%	-18%
Satellite Network Equipment	15	15	11	26%	-28%
Transmission Equipment	14	19	15	6%	-29%
Submarine Cable Restoration	5	6	5	-5%	-17%
IT Expense	1	1	1	-21%	-30%
Fuels & Lubes	1	1	1	-13%	-30%
Other	6	7	6	2%	-24%

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For the Board of Entel S.A.
February 12, 2008

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General Expenses

Millions of B\$	December			% Change
	2006 Actual	2007 Budget	2007 Actual	
	138	126	104	-24%
of which				-17%
Outsourcing				
Insurance	7	8	7	5%
Office Rent	8	11	9	14%
Utilities	19	22	21	12%
Maintenance Expenses	6	7	5	-6%
Fuels & Lubes	1	1	1	7%
Professional Services	19	29	18	-7%
Donations	2	2	2	-25%
Corporate Advertising	3			
Travel	5	7	5	3%
of which				-18%
Domestic	3	4	3	18%
International	2	3	2	34%
Training	2	3	3	28%
Security	9	11	10	7%
of which				-10%
Internal Security - Police	3	4	3	8%
External Security - Watchmen	6	7	7	7%
Other	0	0	0	11%
Other	56	26	22	-61%
of which				-15%
Provisions	37			
Employee Meals & Transportation	7	11	6	14%
Legal	12	15	11	16%
Other				-18%

Professional Services

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	December	
	2007	2007
Millions of B\$	Budget	Actual
External Counsel	28.5	17.8
Legal	12.2	6.2
Compliance	6.5	4.8
Regulatory	2.8	0.8
IT/Security	2.8	1.1
Outsourcing	4.7	3.7
Fixed Assets Administration	1.8	1.7
IT/Security	0.4	0.1
Regulatory	2.5	1.9
Professional Services	7.8	6.5
Legal	0.9	0.2
Security	1.5	1.6
IT/Security	0.2	0.1
Regulatory	2.8	2.8
IT/Security	0.8	0.7
Regulatory	0.8	0.8
Regulatory	0.3	0.2
Regulatory	0.2	0.0
PR Consulting	0.3	0.2
Other	3.8	1.4

Grants & Donations

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Thousands of B\$	December	
	2007	2007
	Budget	Actual
Education	2,400	1,791
of which:		1,219
Grants		
Materials		
Real		
Reversal		
Admission		
Individuals		
Institutions		
Health		131
of which:		
Individuals		
Institutions		
CSR		441
of which:		
Community organizations (Computers)		
Institutions & Individuals (Emergencies)		
Volunteering		
Christmas		

HR Expenses

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Millions of B\$	December			
	2006 Actual	2007 Budget	2007 Actual	% Change v 06 v Bdgt
HR Expenses	158	200	173	9% -14%
Salaries & Comp.	153	184	161	5% -13%
Personnel Expenses	120	167	143	23% -12%
Outsource	23	16	9	62% -45%
Meals & Transportation	7	11	8	14% -29%
Travel & Sales Commissions	3	6	4	44% -27%
Training & Ed.	2	3	3	28% -4%
Other General Ex.	2	7	4	46% -49%
Operating Expenses	0	1	0	58% -77%
Solidarity Support	1	4	2	35% -62%
Litigation Allowance	(0)	1	4	-2904% 279%

Headcount

		December			
		2006	2007	2007	% Change
Headcount	Actual	Actual	Budget	Actual	v 06 v Bdat
Headcount	1,387	1,387	1,626	1,502	8%
Employees on Group's Payroll	1,005	1,005	1,626	1,499	49%
of which:					
Full Employees	1,005	1,005	1,111	1,063	6%
Datacom Employees	382	382	515	346	-99%
Average Headcount	1,507	1,507	1,626	1,427	-5%
Employees on Group's Payroll	883	883	1,626	1,380	56%
of which:					
Full Employees	883	883	1,111	1,020	16%
Datacom Employees	382	382	515	360	-8%
Outsourced	624	624		46	-93%

Compensations

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Millions of B\$	December		% Change v 06	% Change v Bdat
	2006 Actual	2007 Budget		
Compensations	153	184	5%	-13%
Compensations to Accounting Adjusting Net	161	184	1%	-12%
Compensations to Headcount Mix Net	161	187	4%	-11%
Reconciled Compensations	157	170	-5%	-12%
Average Headcount	1,507	1,626	-5%	-12%

Average Compensation

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Thousands of B\$	December		% Change v 06 v Bdgt
	2006 Actual	2007 Budget	
Compensation	101	113	11%
Compensation to Accounting Adjustment Net	107	113	7%
Compensation to Headcount Mix Net	107	115	10%
Reconciled Compensations	104	104	0%

Allowances & Provisions

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Millions of B\$	December				% Change v 06 v Bdgt
	2006	2007	2007	2007	
	Actual	Budget	Actual	Actual	
Bad Debts	72	45	20		-72% -56%
	71	44	19		-73% -56%
	64	37	(9)		-113% -123%
	26	13			-29% -86%
	26	24			-92% -99%
	2				
	6				
	6				
	4	5	6		-44% -86%
Waivers	3	2	24		791% 1345%
Inventory Devaluation	1	1	1		-28% -47%

Depreciation & Amortization

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	December				% Change
	2006	2007	2007		
Millions of B\$	Actual	Budget	Actual	v 06	v Bdgt
Fixed Asset Depreciation	379	364	326	-14%	-10%
Transmission	369	355	317	-14%	-11%
Switching	142	137	113	-20%	-17%
Outside Plant	63	61	58	-8%	-5%
Energy System	36	34	36	-1%	5%
Real Estate	21	21	19	-13%	-9%
Telephone Terminals	8	8	7	-15%	-12%
Supplementary Assets	11	10	11	2%	11%
Special Services & Vehicles	50	47	46	-8%	-1%
Amortization of Deferred Charges	38	38	27	-29%	-29%
	9	9	10	8%	8%

Investments 2007

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Millions of USD	December 2007						% Change v 06
	2006 Actual	2007 Budget	Over Budget 2006	New Investment	FO Cable AXS	Over Budget 2008	
	24	30	2	28	4	12	90%
Long Distance	6	4	0	5	4	3	72%
Mobile	13	14	1	15		6	99%
Pay Phones	0	0	0	0		0	149%
Entel Points	0	0	0	0		0	84%
Entelnet and Data	2	8	1	5		2	74%
Business Services	0						1%
Information Technology	2	2	0	2		0	18%
Security & Anti-fraud	0	1		0		0	5%
Logistics & Infrastructure	1	2	0	1		1	11%
						3	39%
						2	129%
						0	
						2	90%
						0	84%
						0	16%
						1	12%
						0	47%

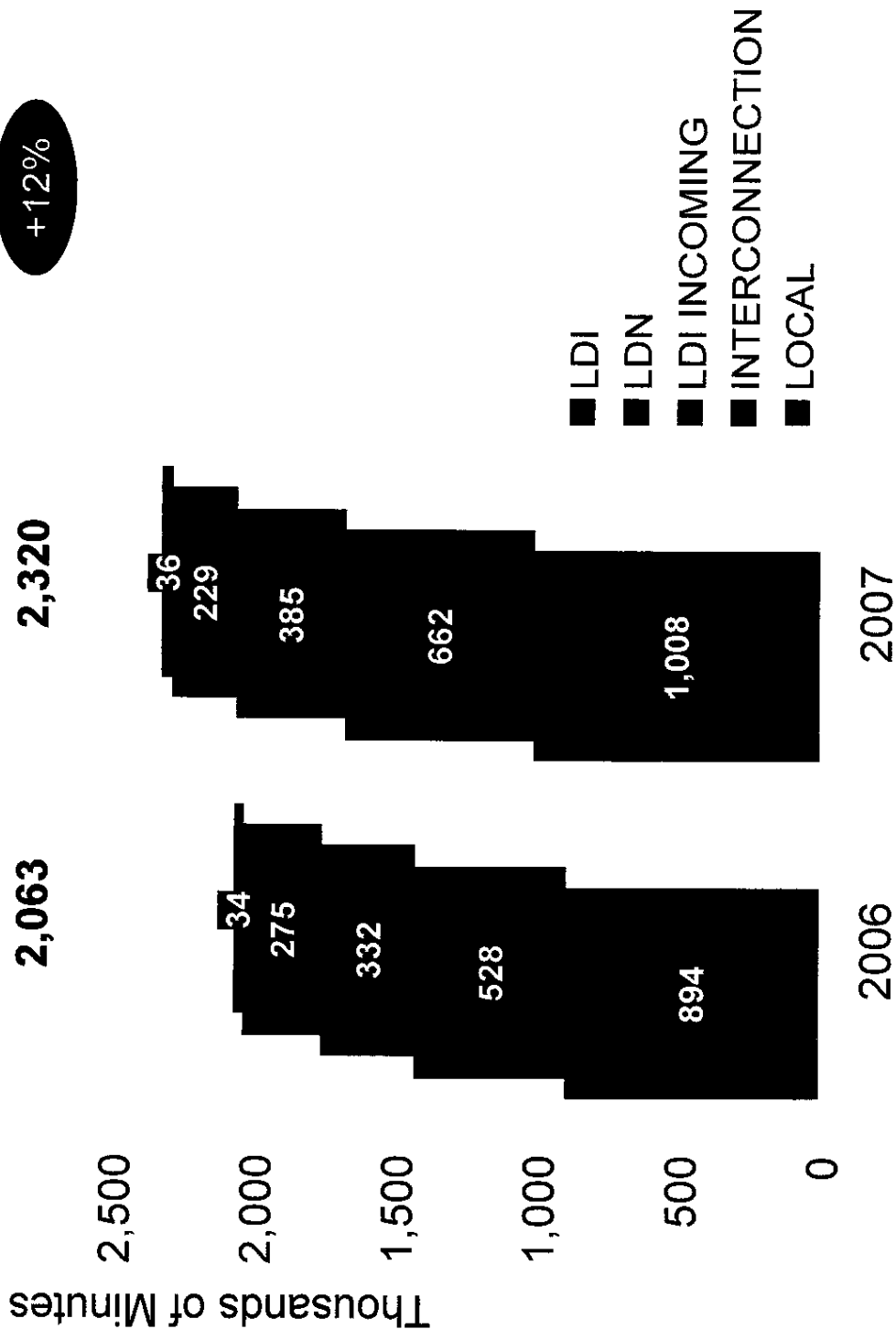
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Millions of USD

Mobile
LD
Local
IP/Data/TV
TP
Datacom
TDI
Logistics

Network Traffic

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ARPU Mobile Customers

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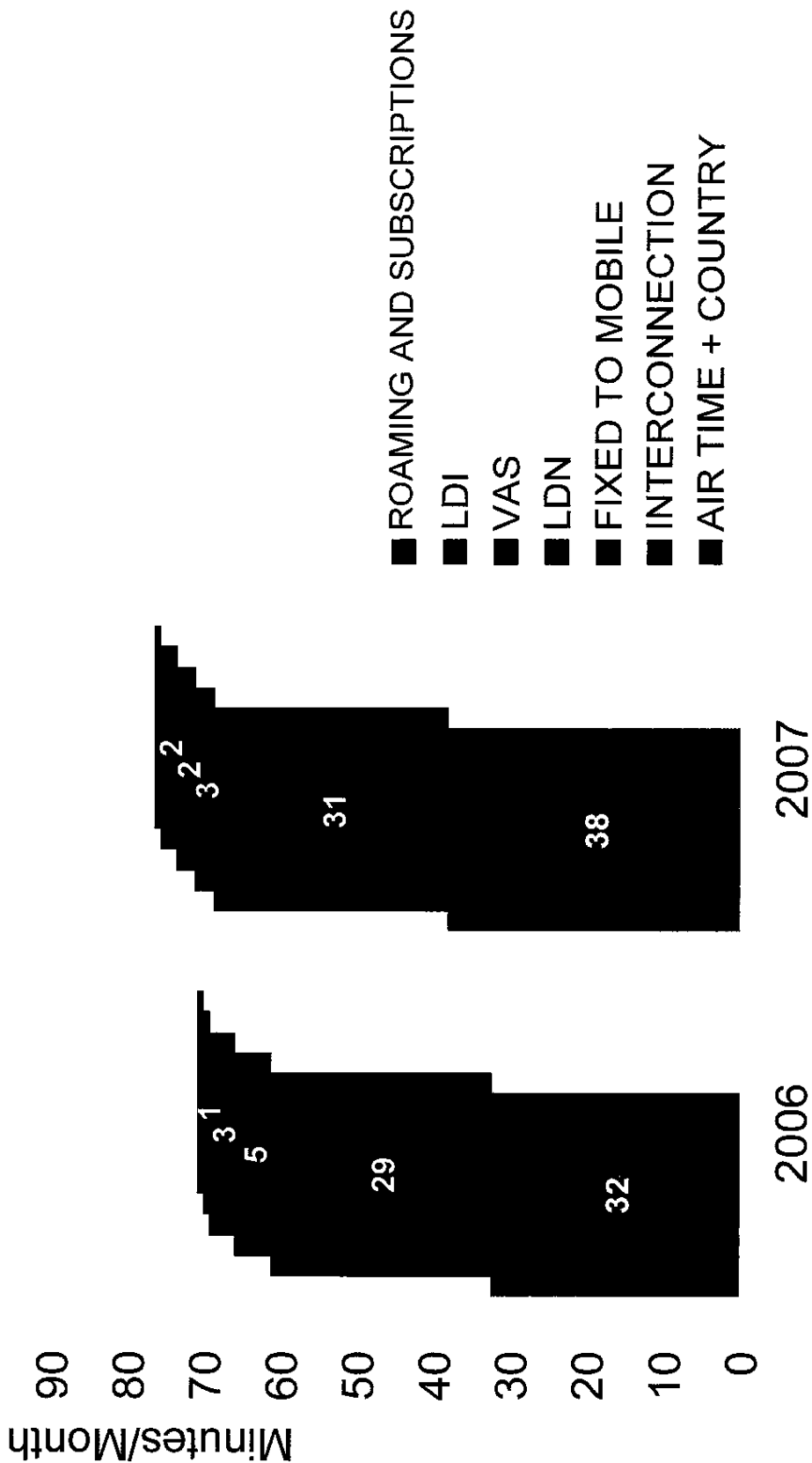
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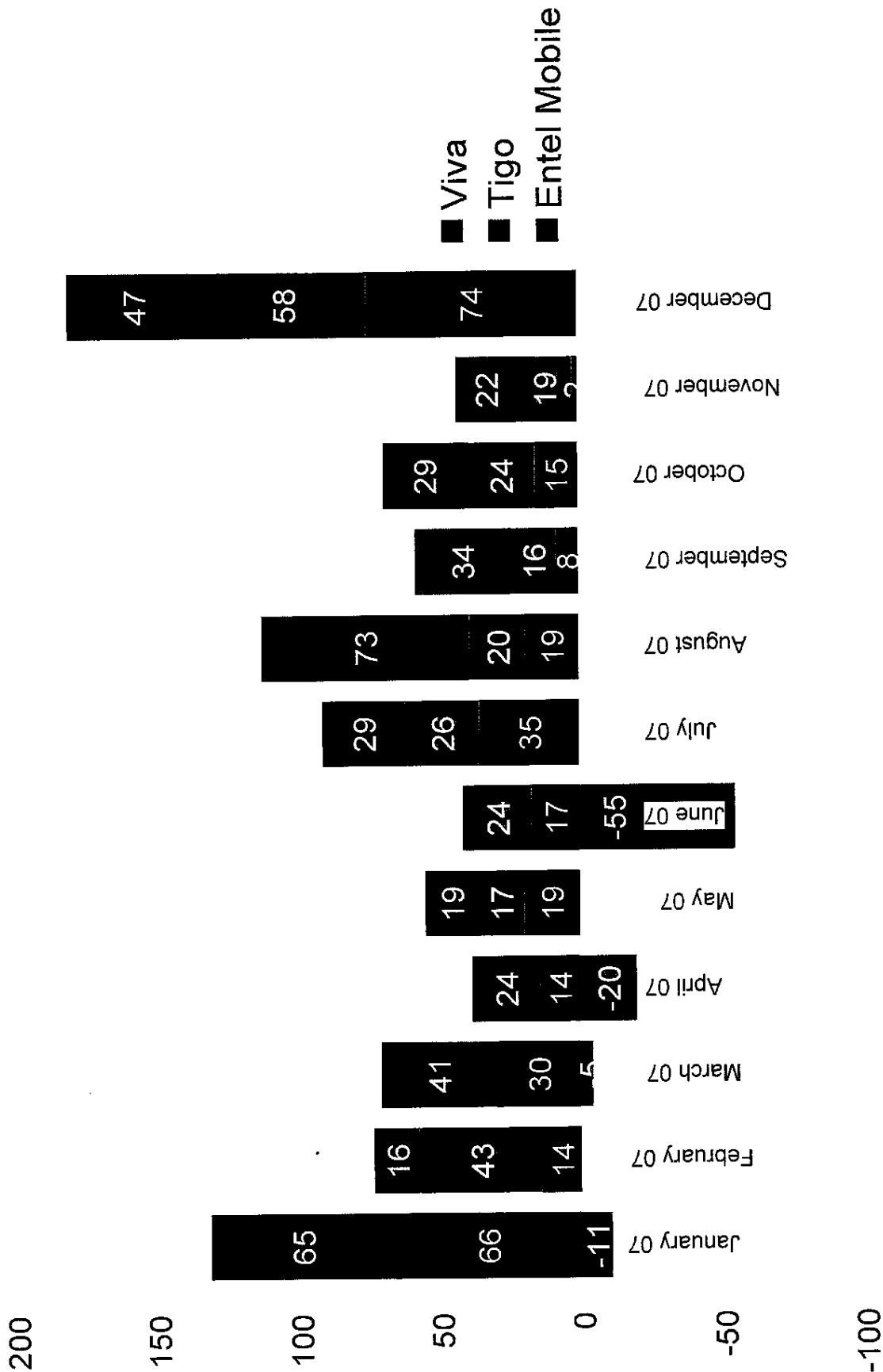
MOU Mobile Customers



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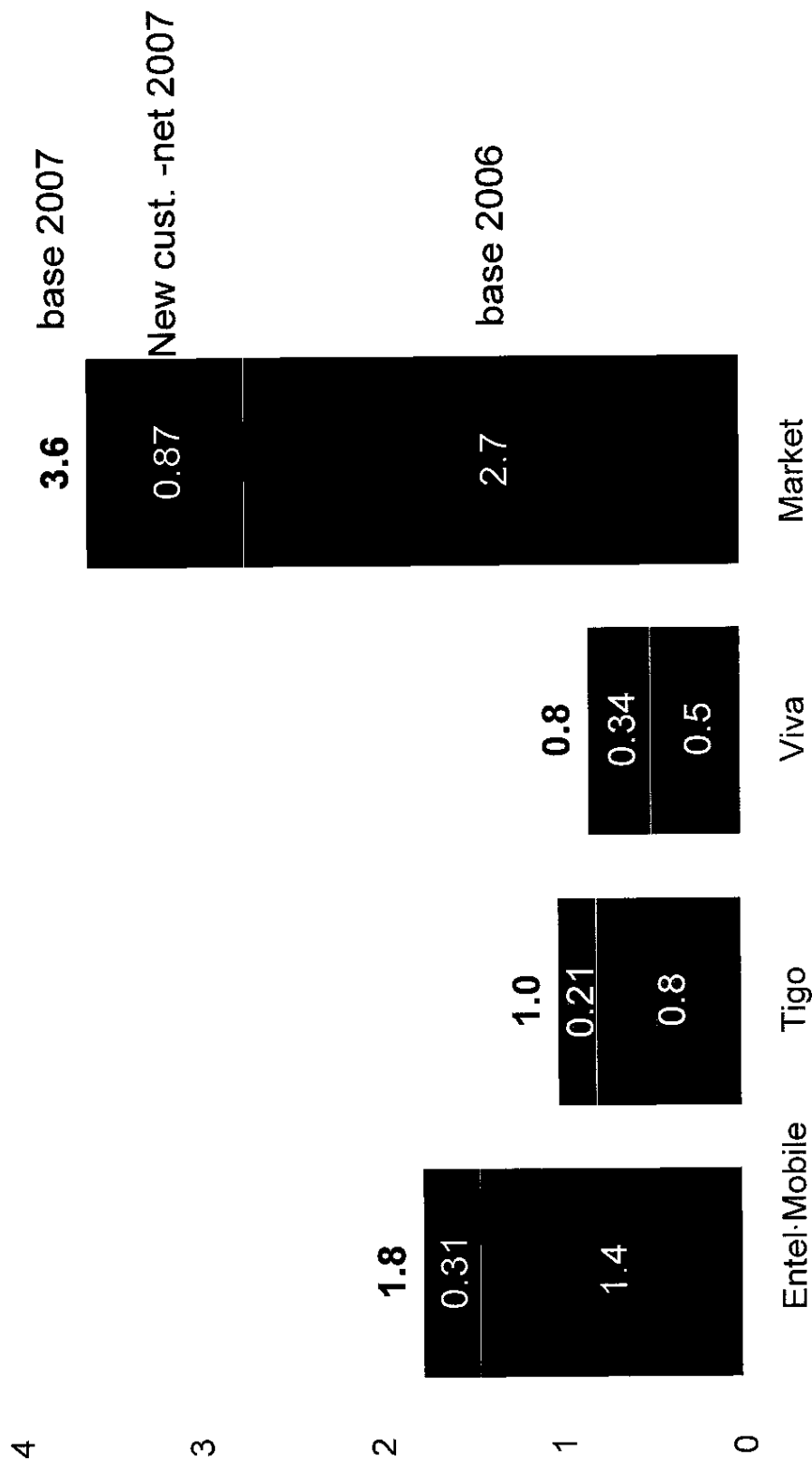
New Customers – Net – Market (x1,000)



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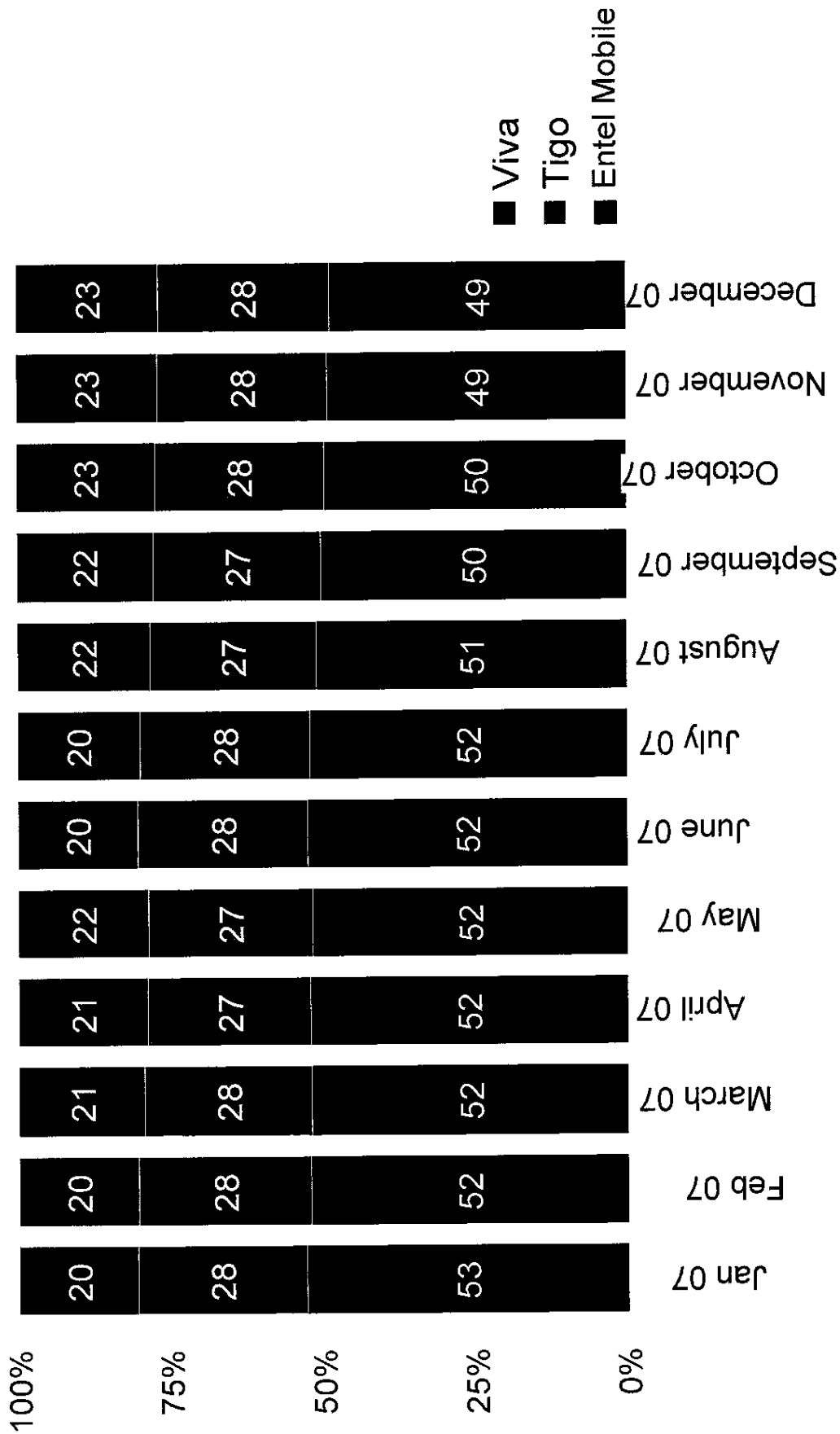
Annual New Customers - Market (x1,000,000)



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Market Share

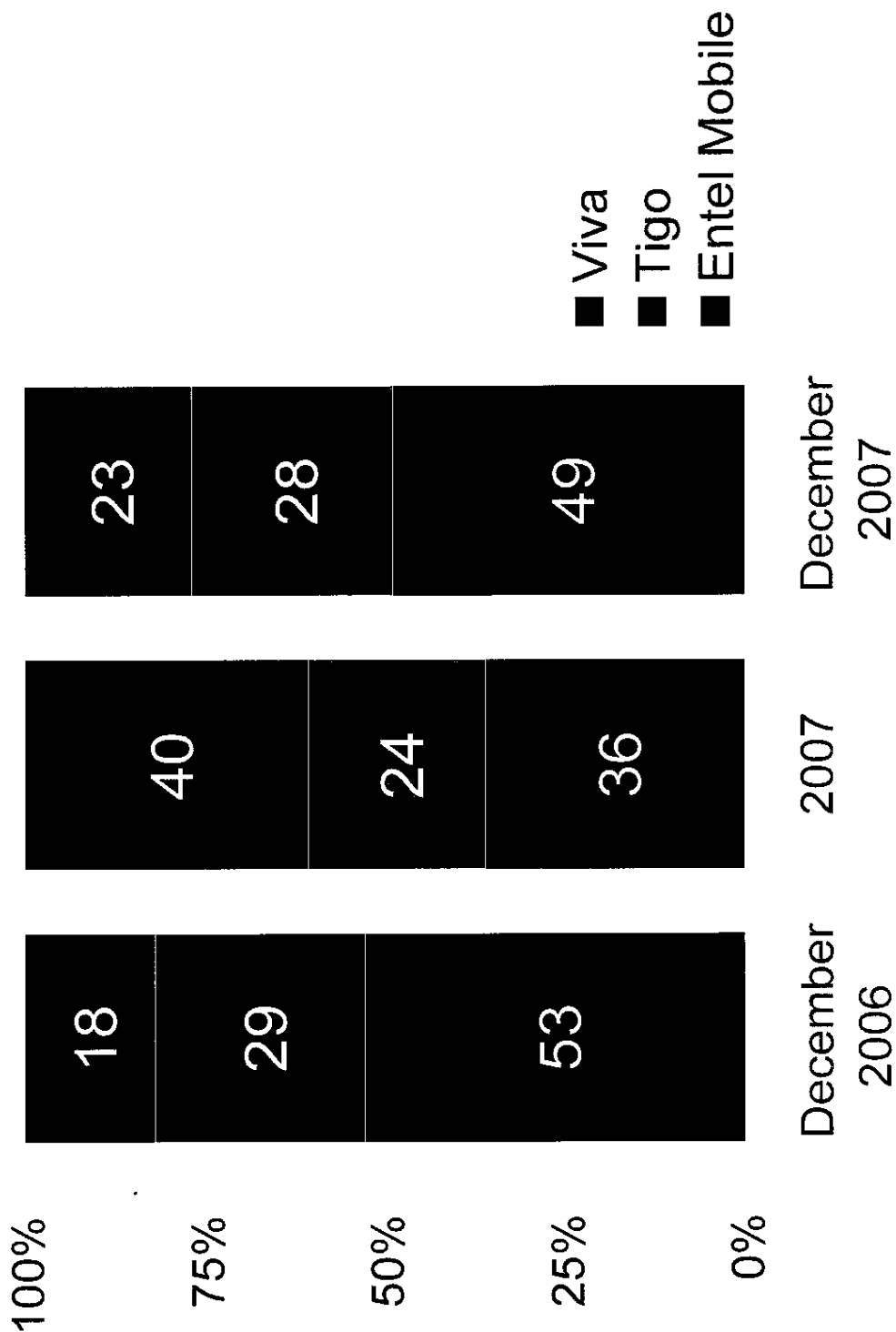


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Market Share

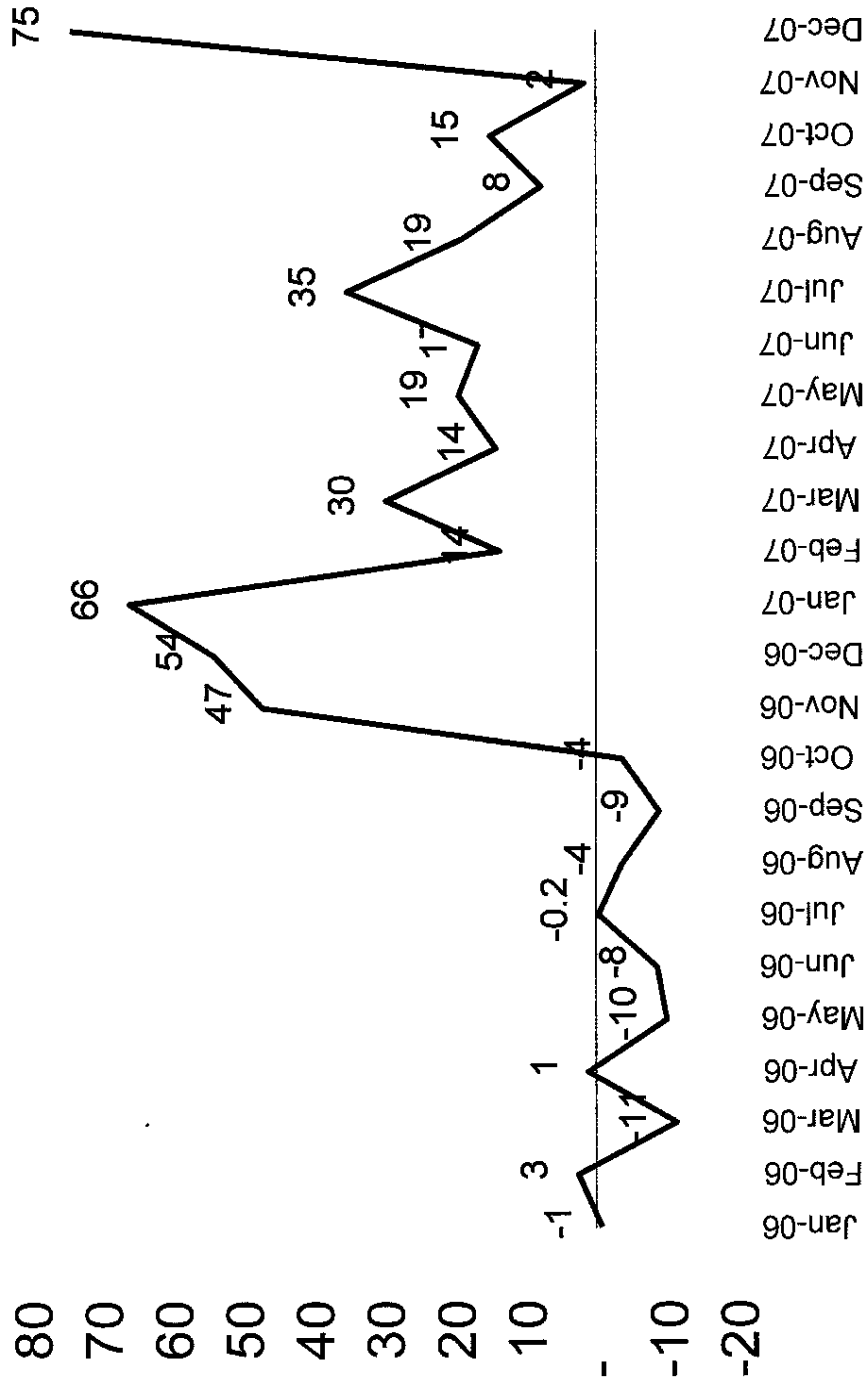


New Customers - Net

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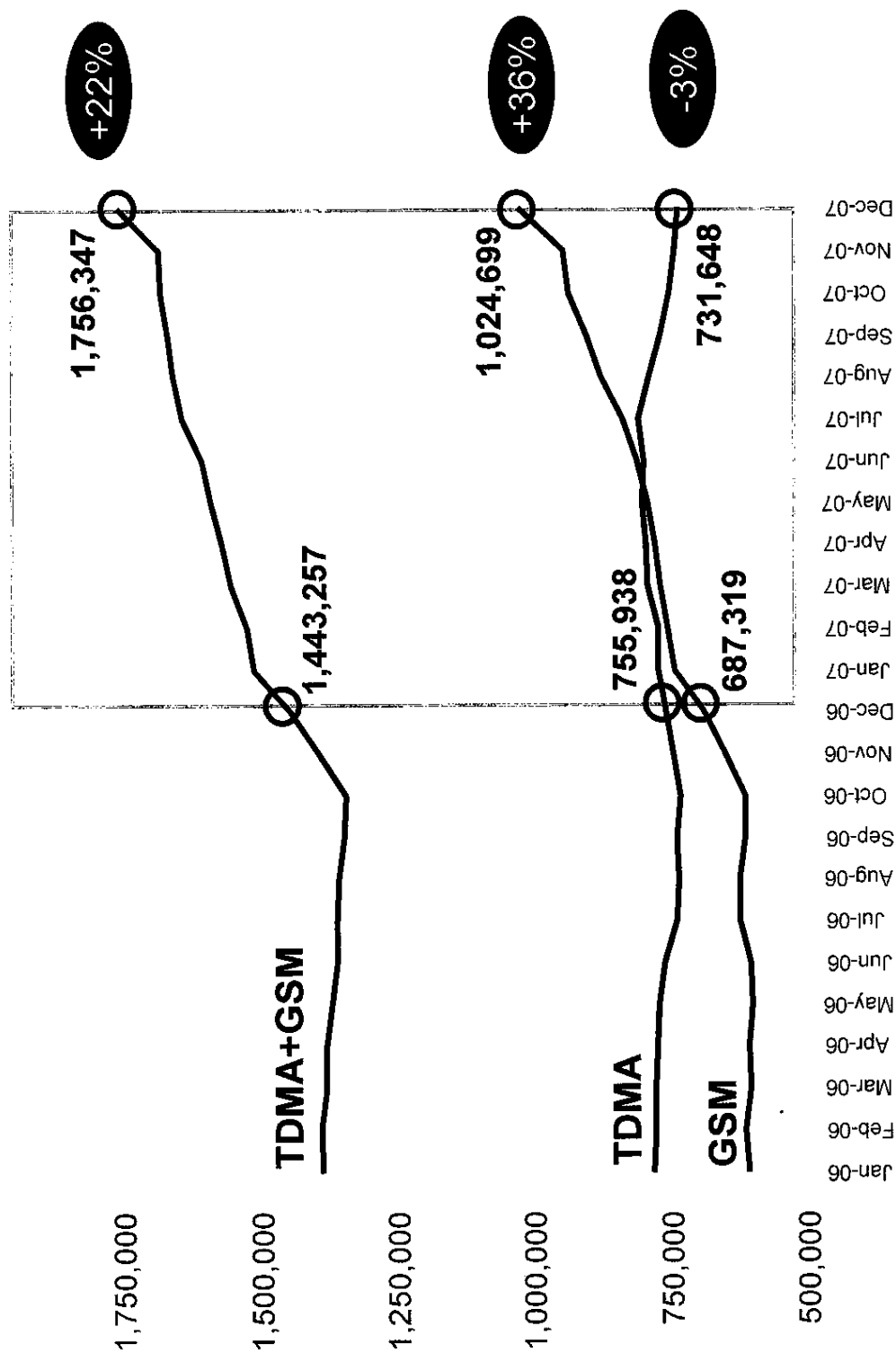


313 Thousand New Customers - Net



Active Customers - Mobile

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Análisis Económico-Financiero y Gestional Diciembre 2007

Información Confidencial y Privilegiada
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12 de Febrero de 2008



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Destaques

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	Ejecutado Diciembre 2007 vs Diciembre 2006	Operaciones non Recurrentes	Pro Forma
Ingresos	+13%	+1%	+12%
EBITDA	+17%	+3%	+14%
EBIT	+41%	+6%	+35%
Utilidad Neta	+46%	+8%	+38%

Trafico Cursado en la Red +12%

ARPU Clientes Móviles +6%

313 mil Altas Netas Móviles

Compensación de los efectos del Decreto Tarifario DS 29884
Adelanto al 2007 del Expansión del Core Network Móvil
Incorporación de la Atención Presencial y Telefónica en Datacom SRL
Expansión a 180 Radio Bases del Proyecto de Cobertura Rural

Estado de Resultados

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Millones de Bolivianos	Diciembre			% Desviación vs 06 vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado	
Ingresos Brutos	1,966	2,101	2,225	13% 6%
Costo de Interconexión	(312)	(313)	(416)	33% 33%
Ingresos Netos	1,654	1,788	1,808	9% 1%
Gastos con Terceros	(584)	(643)	(608)	4% -6%
Gastos de Personal	(120)	(173)	(151)	26% -13%
Margen Operativo Bruto	950	972	1,049	10% 8%
Deudores Incobrables	(71)	(44)	(19)	-73% -56%
Desvalorización de Inventarios	(1)	(1)	(1)	-28% -47%
EBITDA	878	927	1,030	17% 11%
	45%	44%	46%	
Depreciación y Amortización	(379)	(364)	(326)	-14% -10%
Resultado Operativo	500	563	703	41% 25%
Saldo Gestión Extraordinaria	(13)	(12)	(17)	29% 36%
EBIT	487	550	686	41% 25%
	25%	26%	31%	
Saldo Gestión Financiera	29	32	28	-3% -14%
EBT	515	582	714	38% 23%
Impuestos - I.U.E.	(109)	(127)	(122)	12% -4%
Utilidad Neta	406	455	591	46% 30%
	21%	22%	27%	

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Balance General

Millones de Bolivianos	Diciembre				% desviación vs 06	vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado			
Activo	3,851	4,069	4,125		7%	1%
Corriente	1,540	1,750	2,076		35%	19%
Disponibilidad Financiera	838	928	1,116		33%	20%
no Corriente	2,311	2,319	2,048		-11%	-12%
Pasivo y patrimonio Neto	3,851	4,069	4,125		7%	1%
Corriente	674	687	871		29%	27%
no Corriente	79	89	73		-8%	-18%
Patrimonio Neto	3,097	3,292	3,180		3%	-3%

Flujo de Caja

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Millones de Bolivianos	Diciembre			% desviación vs 06	vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado		
Disponibilidad Inicial	395	644	838	112%	30%
Ingresos Operativos	1,724	1,941	1,888	10%	-3%
Gastos Operativos	(651)	(829)	(809)	24%	-2%
Inversiones	(61)	(235)	(104)	71%	-56%
Operating cash Flow	1,013	876	975	-4%	11%
Ingresos - Gastos Financieros	21	27	40	94%	50%
Impuestos	(316)	(342)	(350)	11%	2%
Ajuste Tipo de Cambio	(1)	34	(32)	3216%	-193%
Operating Free Cash Flow	717	595	633	-12%	6%
Dividendos	(300)	(310)	(361)	20%	17%
Reduccion de Capital	(4)	(2)	(0)	-97%	-91%
Flujo Neto	413	284	272	-34%	-4%
Conciliación Contable	30		6		
Disponibilidad Final	838	928	1,116	33%	20%

Gestión Financiera

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	Diciembre				% desviación	
	2006	2007	2007	2007	vs 06	vs Pres
Millones de Bolivianos	Ejecutado	Presupuesto	Ejecutado			
Saldo Gestión Financiera	29	32	28		-3%	-14%
del cual:						
Ingresos Financieros	33	29	48		45%	67%
Comisiones Bancarias	(1)	(1)	(2)		194%	133%
ITF	(4)	(0)	(1)		80%	94%
Ajuste Inflación y Diferencia Cambio	1	5	(17)		-2173%	-439%

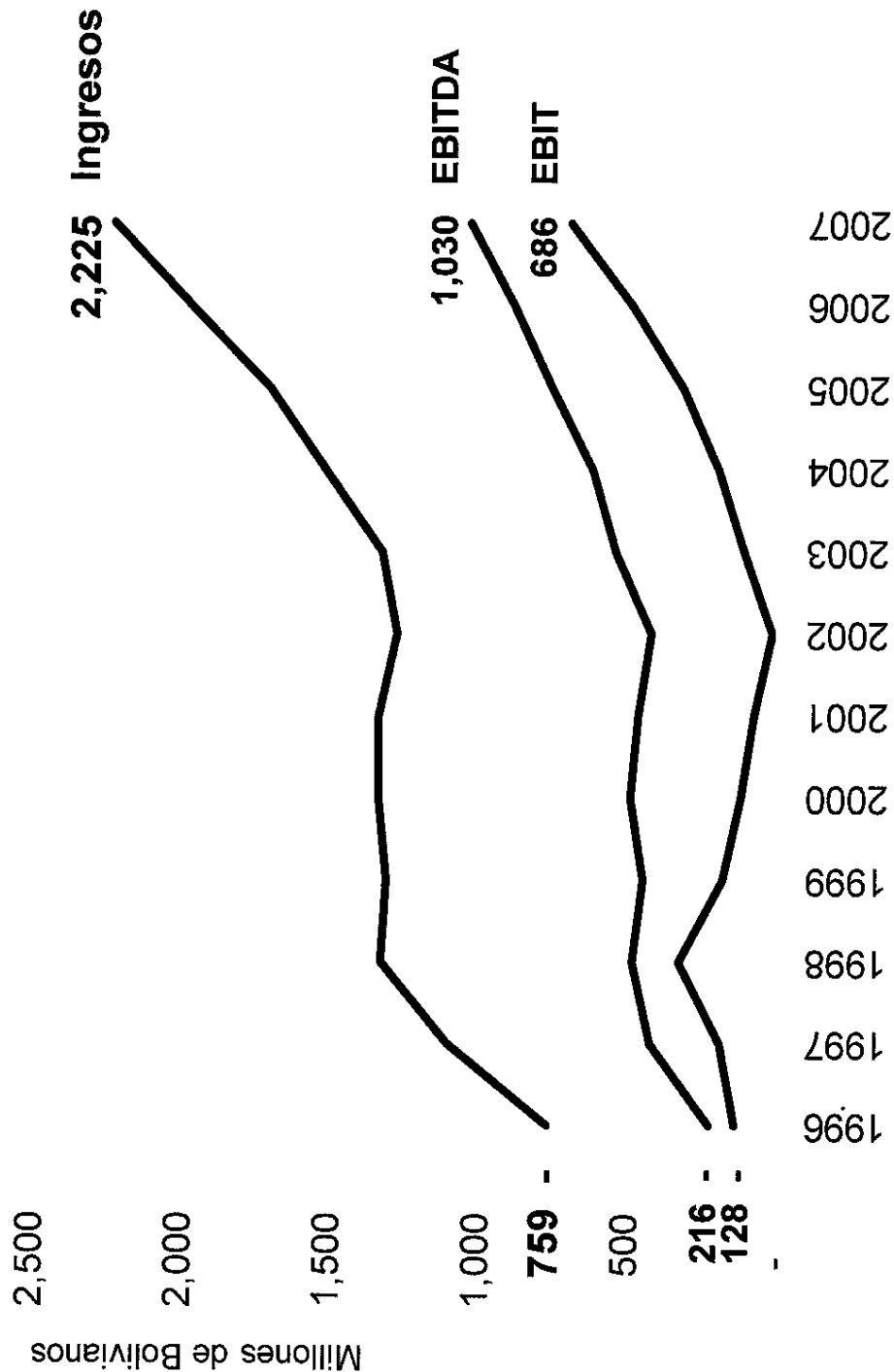
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Ingresos y Márgenes

Desde el 1996 los ingresos de Entel se incrementaron cerca de 3 veces y los márgenes EBITDA Y EBIT cerca de 5 veces

El mayor crecimiento se produjo después de la abertura del mercado de noviembre 2001

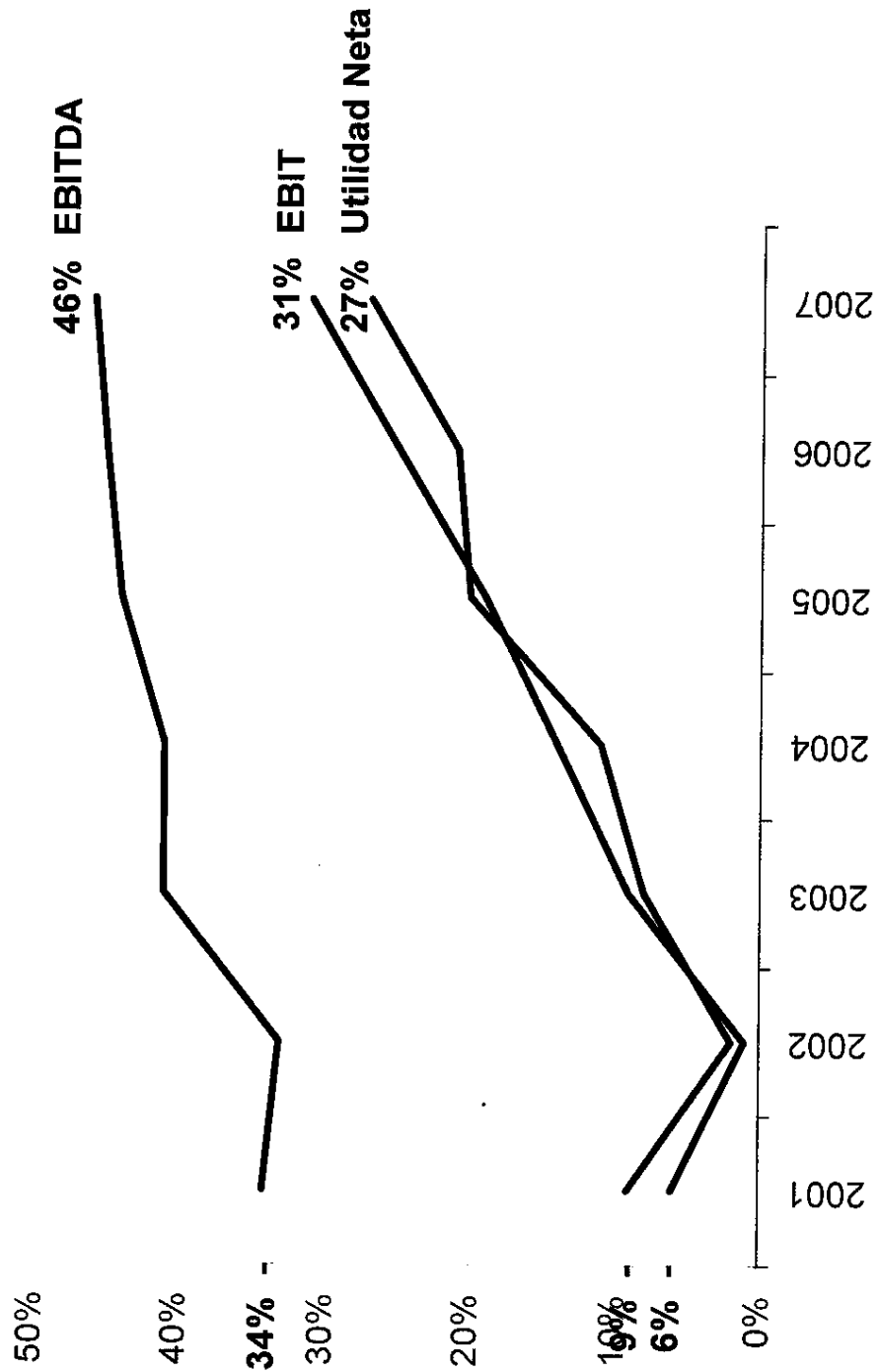


Indicadores Operativos

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Los indicadores de Rentabilidad Operativa de la empresa muestran un crecimiento sostenido a pesar de la fuerte competencia entre los 4 operadores móviles, 16 operadores de larga distancia y 18 operadores de servicios locales del mercado boliviano

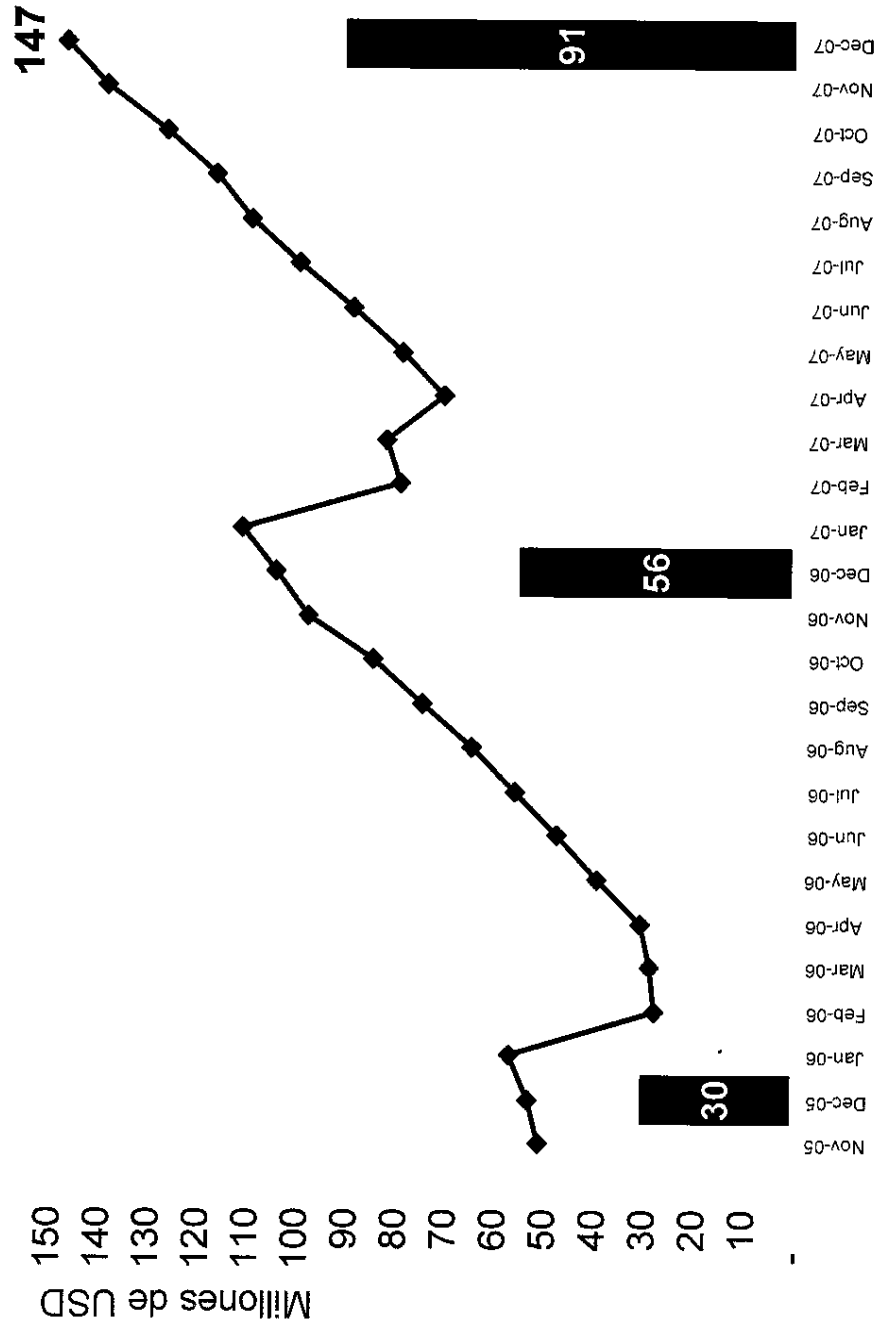


Disponibilidad Financiera

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La Disponibilidad Financiera se ha mantenido por encima de las metas establecidas para las gestiones 2005-2007 en La Junta de Accionistas del 20 de Septiembre de 2005 en la cual se resolvió la Reducción de Capital



Disponibilidades Financieras comprometidas en la AGO del 20/09/2005

Ingresos Brutos

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Millones de Bolivianos	Diciembre			% desviación vs 06 vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado	
Total	1,966	2,101	2,225	13%
Telefonía	1,314	1,374	1,507	15%
No telefonía	295	323	267	-9%
Interconexión	272	337	350	28%
Venta de Aparatos	36	40	40	13%
Otros	50	27	60	22%
Fija	1,004	1,026	989	-1%
Telefonía	761	789	731	-4%
Abonos y Cargos	11	15	10	-13%
Servicios Especiales	61	59	65	6%
Entelnet	91	109	102	12%
Servicios Wholesale	33	37	35	6%
Interconexión	14	4	6	-58%
Venta de Aparatos	3	3	1	-65%
Otros	29	11	41	42%
Móvil	962	1,075	1,235	28%
Telefonía	552	585	776	41%
Abonos y Cargos	53	61	52	-2%
Diferencia Vta de Tarjetas	(4)	(13)	(68)	1650%
VAS	49	57	73	49%
Venta de Aparatos	33	37	39	19%
Interconexión	258	332	344	33%
Otros	20	17	19	-7%

15%

Costo de Interconexión

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	Diciembre			
	2006	2007	2007	% desviación
Millones de Bolivianos	Ejecutado	Presupuesto	Ejecutado	vs 06 vs Pres
	312	313	416	33% 33%
Local	96	99	152	58% 54%
Nacional	165	165	203	23% 23%
Internacional	51	49	61	20% 26%

Gastos con Terceros

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	Diciembre			% desviación vs 06 vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado	
Millones de Bolivianos				
	584	643	608	4%
Comerciales	254	269	296	16%
Operaciones	173	227	186	7%
Generales	138	126	104	-24%
Aporte a la Superintendencia	19	22	22	18%
				-6%
				10%
				-18%
				-17%
				3%

Gastos Comerciales

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	Diciembre				% desviación
	2006	2007	2007	2007	
Millones de Bolivianos	Ejecutado	Presupuesto	Ejecutado	vs 06	vs Pres
Costo de los Servicios y Productos	254	269	296	16%	10%
Comision Cobranza	42	44	40	-6%	-11%
Comisiones y Descuentos	14	15	12	-14%	-22%
	131	146	187	42%	28%
del cual	13	4	2	-46%	-68%
Ventas Fija	23	31	47	101%	153%
Ventas Movil	69	63	68	-8%	-19%
Recarga Entel	41	48	43	-4%	-11%
Ventas Tarjetas	1	1	1	64%	160%
Cards y Puntos Entel	2	3	2	29%	-28%
Ventas Aquil Entel	46	51	53	16%	4%
Facturacion	20	9	2	-88%	-74%
Publicidad Comercial	16		1	67%	
Otros Gastos Comerciales	4	9	2	-51%	-80%
del cual	16	1	1	67%	
Outsourcing RH	4	9	2	-51%	-80%
otros					

Publicidad y Promoción

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		Diciembre	
		2007	2007
Millones de Bolivianos		Presupuesto	Ejecutado
Eventos, auspicios y promoción		51.2	53.1
Difusión		16.4	15.9
Difusión		19.1	19.2
del cual	difusión prensa escrita	3.4	3.7
	difusión radio	2.2	2.2
	difusión televisión	13.6	13.6
Publicidad		15.3	17.5
del cual	Publicidad estática	18.8	18.8
	producción gráfica, folletería, etc.	16.6	16.6
Otros		0.3	0.5

Gastos de Operación

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Millones de Bolivianos	Diciembre				% desviación
	2006	2007	Presupuesto	2007	
	Ejecutado			Ejecutado	vs 06 vs Pres
del total	173	227		186	7% -18%
del cual:					
Operación					
Alquileres Operativos	57	77		71	24% -7%
del cual:					
Frecuencias	26	30		30	17% -11%
Frecuencias satelitales	22	24		21	2% -6%
Circuitos	7	18		13	112% -20%
Mantenimiento	103	135		103	-1% -24%
del cual:					
Equipos de conmutación	15	26		17	11% -34%
Equipos Informáticos	16	19		17	2% -14%
Equipos red satelital	16	16		11	26% -28%
Equipos de transmisión	14	19		13	6% -24%
Restauración Cable Submarino	5	6		5	-5% -17%
Gastos Informáticos	1	1		1	-21% -30%
Combustibles y Lubricantes	1	1		1	-13% -30%
Otros	6	7		6	2% -24%

Gastos Generales

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008



		Diciembre				
		2006	2007	2007		
		Ejecutado	Presupuesto	Ejecutado	vs 06	% desviación vs Pres
Millones de Bolívaros						
del cual	Outsourcing RH	138	126	104	-24%	-17%
	Seguros	7	8	7	5%	-6%
	Alquileres Dependencias Adm.	8	11	9	14%	-11%
	Servicios Básicos	19	22	21	12%	-1%
	Gastos de Mantenimiento	6	7	5	-6%	-24%
	Combustibles y Lubrificantes	1	1	1	7%	0%
	Servicio de Profesionales	19	29	18	-7%	-38%
	Donaciones	2	2	2	-25%	-24%
	Publicidad Institucional	3				
	Pasajes y Viáticos	5	7	5	3%	-18%
del cual	Nacionales	3	4	3	18%	-32%
	Internacionales	2	3	2	33%	-1%
	Capacitación	2	3	3	28%	-7%
	Seguridad	9	11	10	7%	-10%
del cual	Seguridad Interna - Policías	3	4	3	38%	-11%
	Seguridad Externa - Serenos	6	7	7	17%	0%
	Otros	10	10	10	11%	-46%
	Otros	56	26	22	-61%	-15%
del cual	Provisiones CNS	37				
	Refrigerio y Transporte Personal	7	11	8	14%	-27%
	Impuestos Legales Otros	12	15	14	16%	-7%

Servicios de Profesionales

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

entel
vivir sin fronteras

		Diciembre	
		2007	2007
Millones de Bolivianos		Presupuesto	Ejecutado
Abogados Externos		28.5	17.8
del cual:		12.2	6.2
procesos judiciales		6.5	4.0
asuntos regulatorios		2.8	1.0
asuntos SIN		2.8	1.2
Outsourcing		4.7	3.7
del cual:		1.8	1.7
administración activos fijos		0.4	0.4
administración en el Alto y Archivo		2.6	1.0
Servicios Profesionales		7.8	6.5
del cual:		0.9	0.2
para RH		1.5	1.3
para seguridad		0.2	0.1
Urme		2.8	2.8
Brinks		0.8	0.7
Ernst & Young		0.8	0.3
evaluación activos garantías SIN		0.3	0.2
regularización derecho propietario inmuebles		0.2	0.0
consultorías ambientales		0.3	0.3
consultorías relaciones públicas		3.8	1.4
otros			

Donaciones

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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		Diciembre	
		2007	2007
Miles de Bolivianos		Presupuesto	Ejecutado
2,400		1,791	1,219
Educación		1,791	1,219
del cual	Material escolar localidades TMR	1,007	1,007
	becas Universidades Católica, Real Del Valle	185	185
	reversión beca Universidad Aquino 2006	20	20
	Instituciones y Personas	17	17
Salud		131	131
del cual	particulares	73	73
	instituciones	58	58
Apoyo Social		441	441
del cual	organizaciones sociales (computadoras)	203	203
	instituciones y particulares (emergencias)	51	51
	voluntariado	12	12
	Navidad	175	175

Gastos de Recursos Humanos

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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Millones de Bolivianos	Diciembre			% desviación vs 06	vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado		
Gastos Recursos Humanos	158	200	173	9%	-14%
Compensaciones	153	184	161	5%	-13%
del cual	120	167	148	23%	-42%
Gastos de Personal	120	167	148	23%	-42%
del cual	0	11	3	42%	-74%
Outsourcing	23	11	2	92%	-29%
Refrigerio y Transporte	7	11	8	14%	-29%
Comisiones Ventas	3	6	3	50%	-44%
Capacitación	2	3	3	28%	-4%
Otros Generales	2	7	4	46%	-49%
Gastos Operativos	0	1	0	58%	-77%
Apoyo Solidario	1	4	2	35%	-62%
Previsión litigios	(0)	1	4	-2904%	279%

Dotación de Recursos Humanos

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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		Diciembre				
		2006	2007	2007	% desviación	
Cantidad	Ejecutado	Presupuesto	Ejecutado	vs 06	vs Pres	
Dotación	1,387	1,626	1,502	8%	-8%	
Personal de Planta Grupo	1,005	1,626	1,499	49%	-8%	
Personal Entel	1,005	1,111	1,033	5%	-5%	
Personal Datacom		515	466			
Outsourcing	382		3	-99%		
Dotación promedio	1,507	1,626	1,427	-5%	-12%	
Personal de Planta Grupo	883	1,626	1,380	56%	-15%	
Personal Entel	883	1,111	1,020	16%	-8%	
Personal Datacom		515	360			
Outsourcing	624		46	-93%		

Compensaciones

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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Millones de Bolivianos	Diciembre			% desviación vs 06 vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado	
Compensaciones	153	184	161	5% -13%
ONS	8			
MBO	21			
Cajeros	(2)			
Comisión de ventas				
Compensaciones al Neto de los Ajustes Contables	161	184	163	1% -12%
Bajas				
Altas				
Transferencia Entel - Datacom				
Mix				
Compensaciones al Neto del Mix de Dotación	161	187	167	4% -11%
Revisión 2006				
Revisión 2007				
Convenio Colectivo				
Seguro médico				
Compensaciones Reconciliadas	157	170	149	-5% -12%
Unidades				
Dotación Promedio de Personal	1,507	1,626	1,427	-5% -12%

Compensación Promedio

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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	Diciembre				% desviación
	2006	2007	2007	2007	
Miles de Bolivianos	Ejecutado	Presupuesto	Ejecutado	vs 06	vs Pres
Compensaciones	101	113	113	11%	0%
CNS	(5)				
MBO	(1)				
Caleros	(11)				
Comisión de ventas					
Compensaciones al Neto de los Ajustes Contables	107	113	114	7%	1%
Bajas					
Altas		(3)			
Transferencia Entel-Datacom					
Mix		(6)			
Compensaciones al Neto del Mix de Dotación	107	115	117	10%	1%
Revisión 2006	(2)				
Revisión 2007		(2)			
Convenio Colectivo		(4)			
Seguro médico		(1)			
Compensaciones Reconciliadas	104	104	104	0%	0%

Previsiones y Provisiones

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008



	Diciembre				% desviación
	2006	2007	2007	2007	
Millones de Bolivianos	Ejecutado	Presupuesto	Ejecutado	vs 06	vs Pres
Deudores Incobrables	72	45	20	-72%	-56%
	71	44	19	-73%	-56%
del cual:	64	37	(9)	-13%	-73%
	25	13		-2%	86%
	26	24		-29%	
	2				
	(6)				
	(6)				
Móvil	4	5	3	-14%	-36%
Condonaciones	3	2	24	791%	1345%
Desvalorización de Inventarios	1	1	1	-28%	-47%

Depreciación y Amortización

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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Millones de Bolivianos	Diciembre			% desviación vs 06	vs Pres
	2006 Ejecutado	2007 Presupuesto	2007 Ejecutado		
Depreciación de Activos Fijos	379	364	326	-14%	-10%
Transmisión	369	355	317	-14%	-11%
Commutación	142	137	113	-20%	-17%
Planta externa	63	61	58	-8%	-5%
Equipo de Energía	36	34	36	-1%	5%
Inmuebles	21	21	19	-13%	-9%
Terminales Telefónicas	8	8	7	-15%	-12%
Activos Complementarios	11	10	11	2%	11%
Servicios especiales y vehículos	50	47	46	-8%	-1%
Amortizac. de Cargos Diferidos	38	38	27	-29%	-29%
	9	9	10	8%	8%

Inversiones 2007

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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Millones de USD	Diciembre 2007					% desviación	
	2006 Ejecutado	2007 Presup.	Desborde 2006	Nueva Inversion	Cable FO AXS	Desborde 2008	Ejecutado vs 06 vs Pres
Larga Distancia	24	30	2	28	4	12	22 90% 72%
Móvil	6	4	0	5	4	3	6 99% 149%
Telefonía Pública	13	14	1	15		6	11 84% 74%
Puntos Entel	0	0	0	0		0	0 18% 1%
Entelnet y Datos	0	0	0	0		0	0 5% 11%
Business Services	2	8	1	5		2	3 129% 39%
Tecnología de la Información	0						
Seguridad y Antifraude	2	2	0	2		0	2 90% 84%
Logística e Infraestructura	0	1		0		0	0 16% 12%
	1	2	0	1		0	1 80% 47%

Inversiones Ejecutadas 1996 - 2007

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1996-2007
58	147	107	144	63	76	29	28	20	23	25	22	741
21	30	32	80	23	30	7	6	8	11	13	11	Móvil
26	71	53	37	15	21	8	13	2	5	6	6	LD
3	15	3	6	3	5	2	0					Local
1	3	4	4	5	3	2	2	3	3	2	3	IP/Datos/TV
2	4	1	9	5	3	1	1	1	0	0		TP
		1	0	1	3	3	2	2				Datacom
3	13	7	7	9	9	3	2	3	2	3	2	TDI
2	12	6	1	2	3	2	1	1	2	1	1	Logística

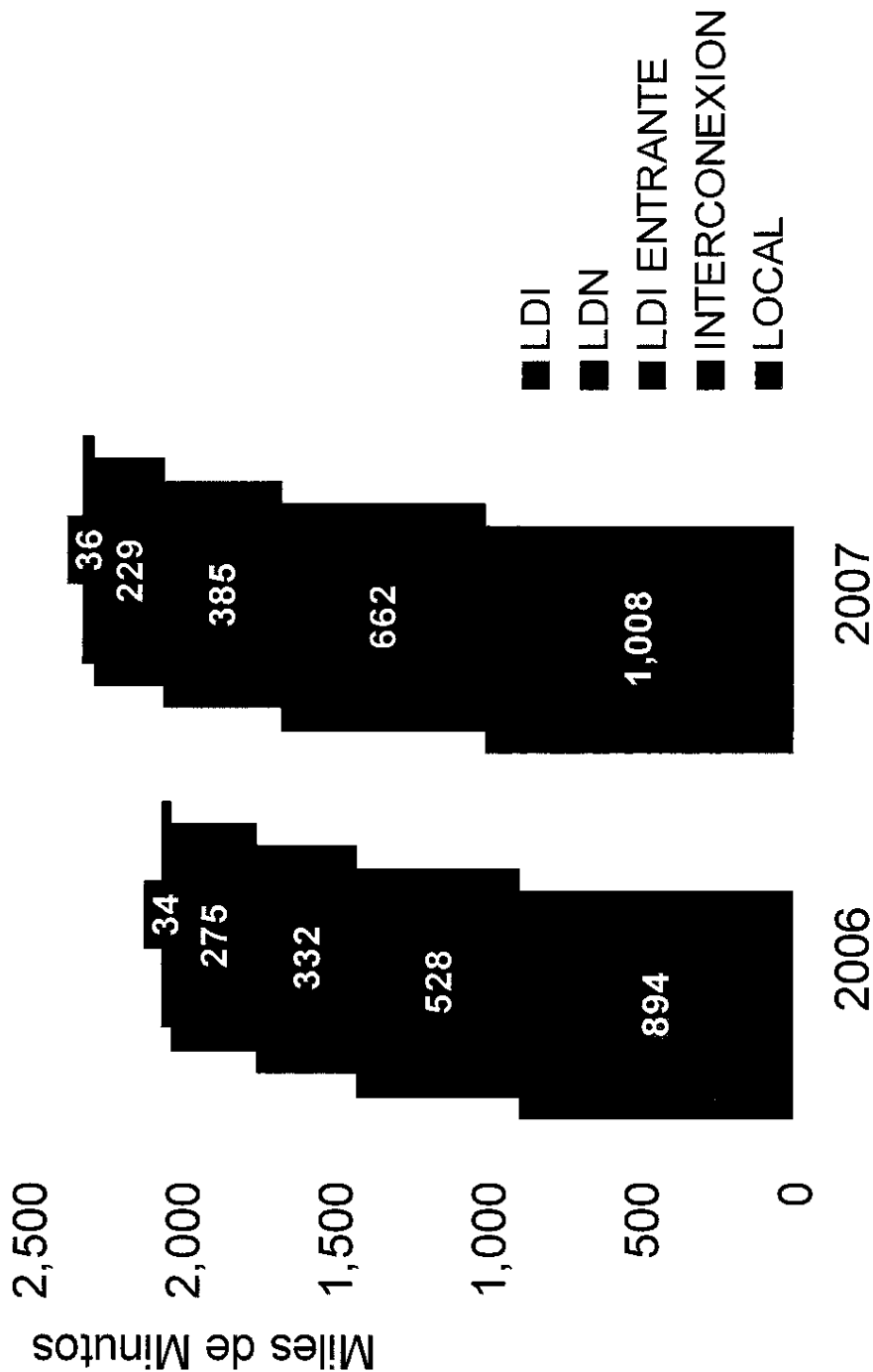
Millones de USD

Trafico Cursado en la Red

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

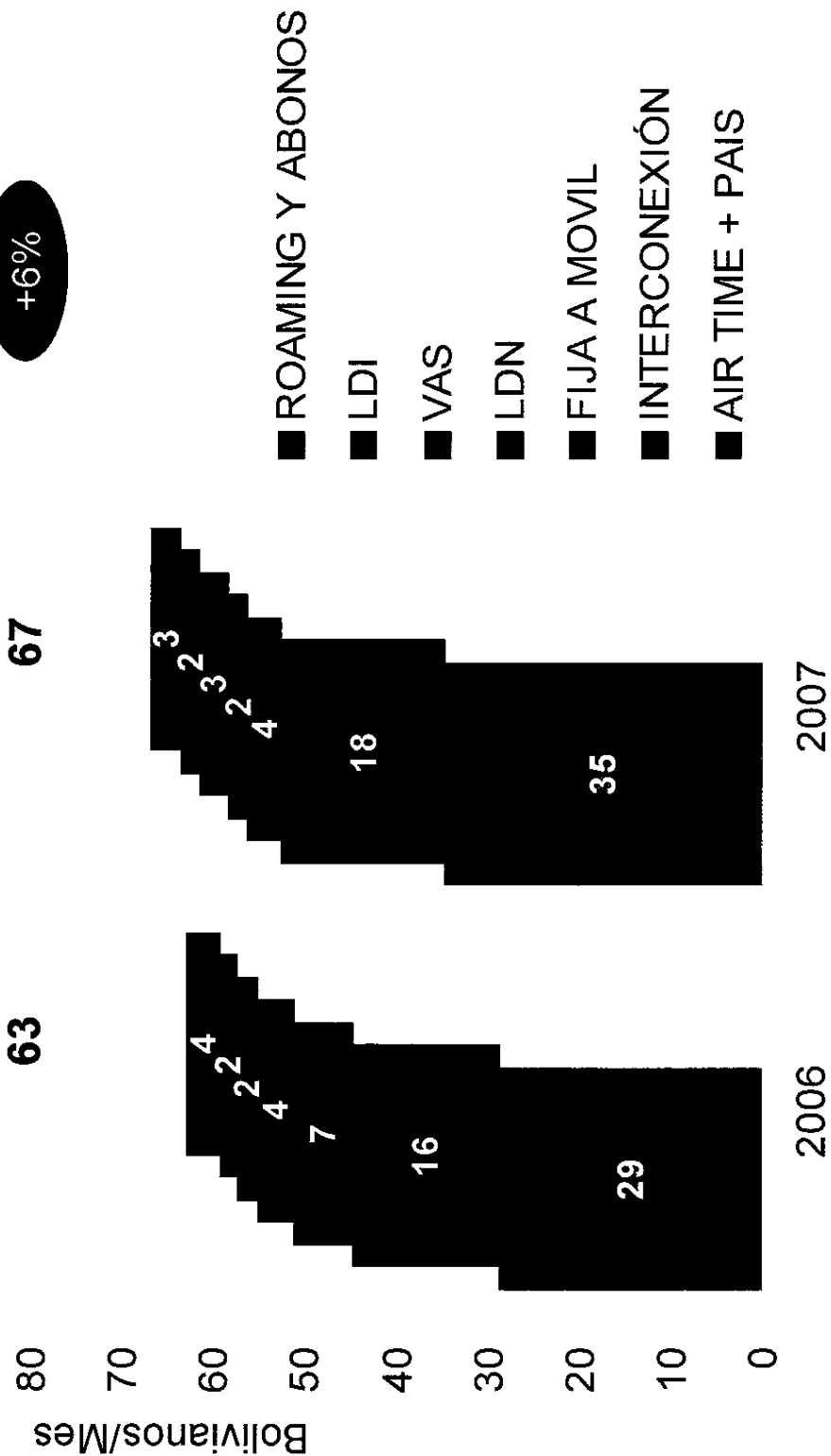


+12%



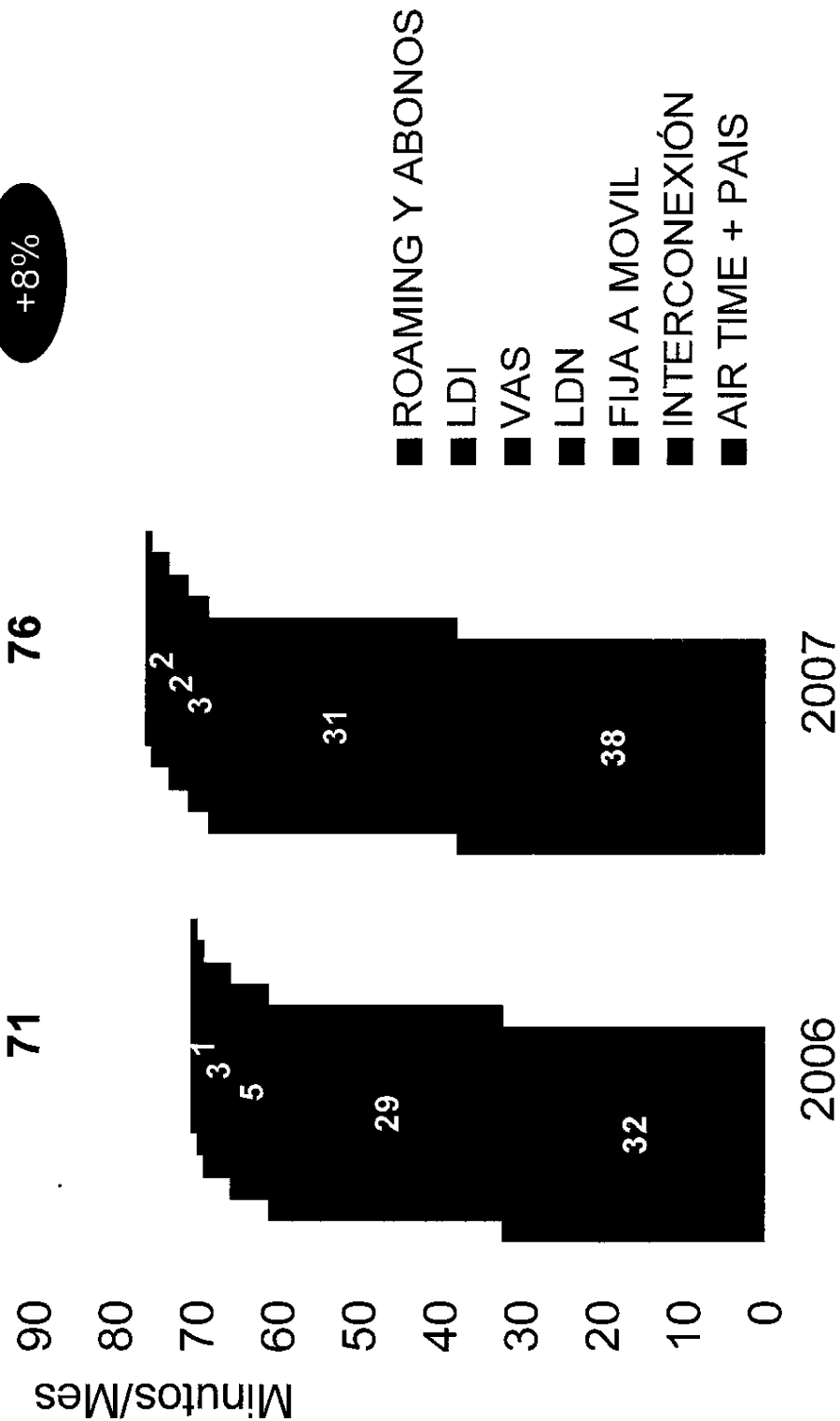
ARPU Clientes Móviles

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008



MOU Clientes Móviles

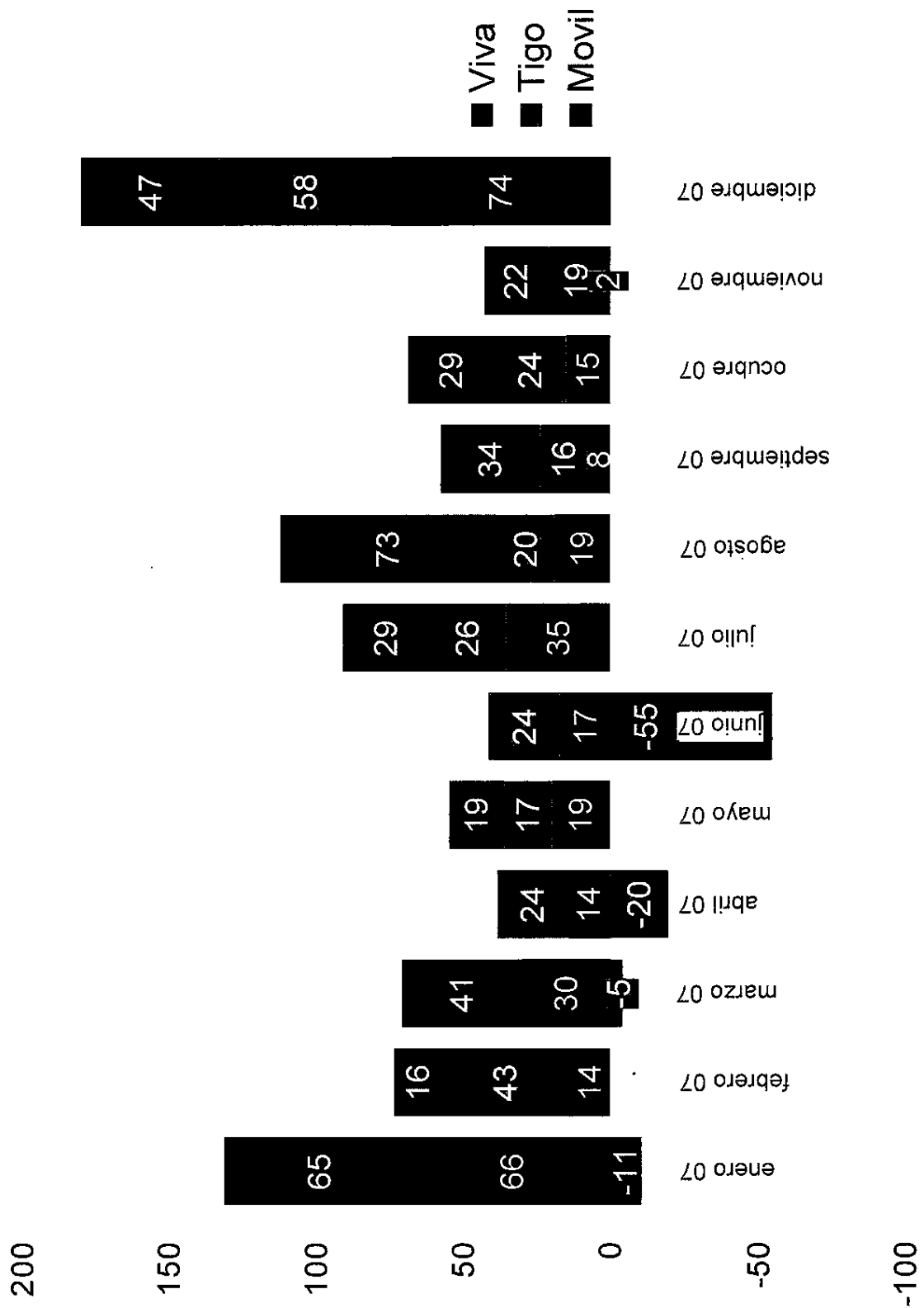
Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008



Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

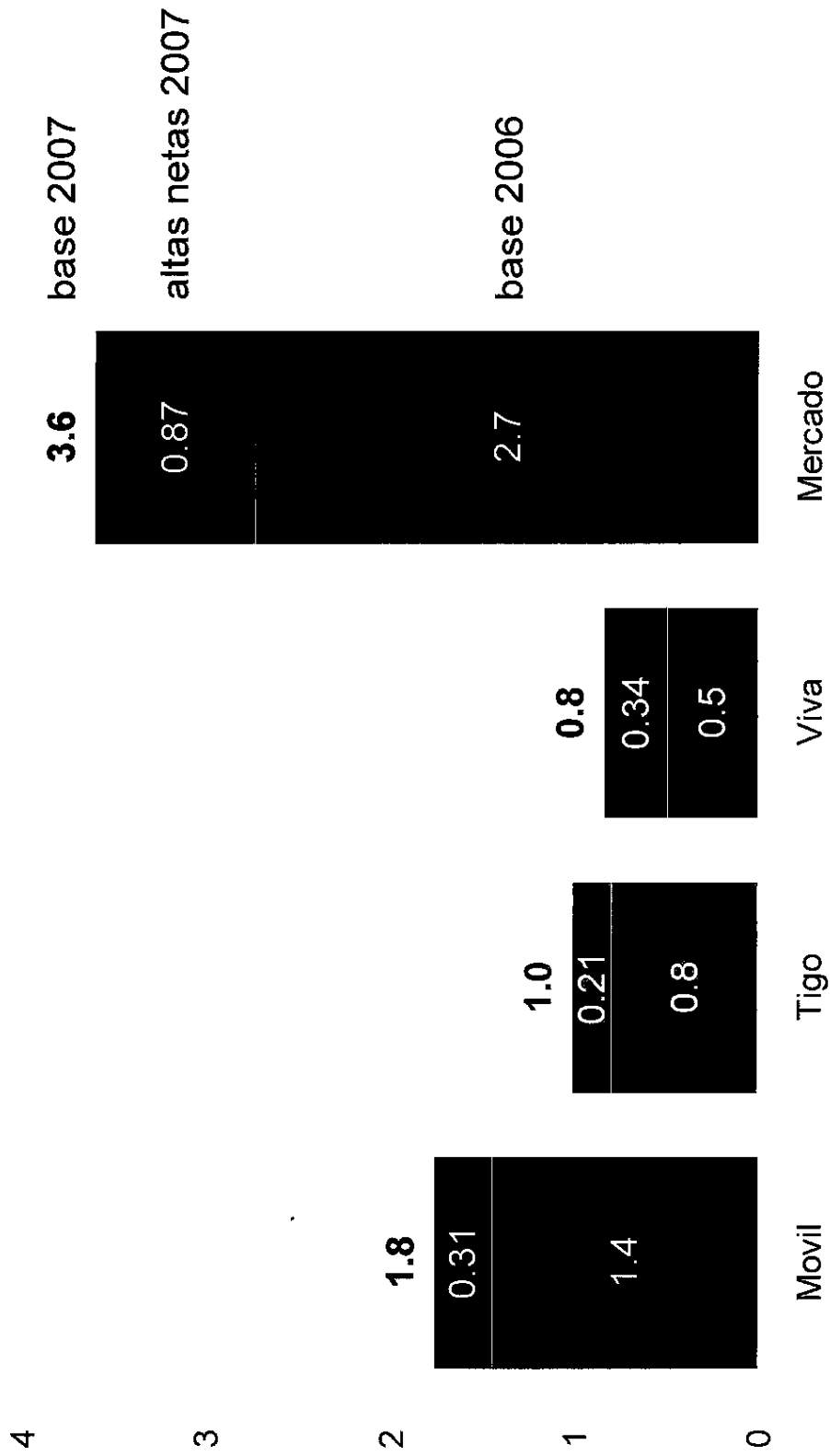
entel
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Altas Netas Mercado (x1,000)



Altas Netas Anuales Mercado (x1,000,000)

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

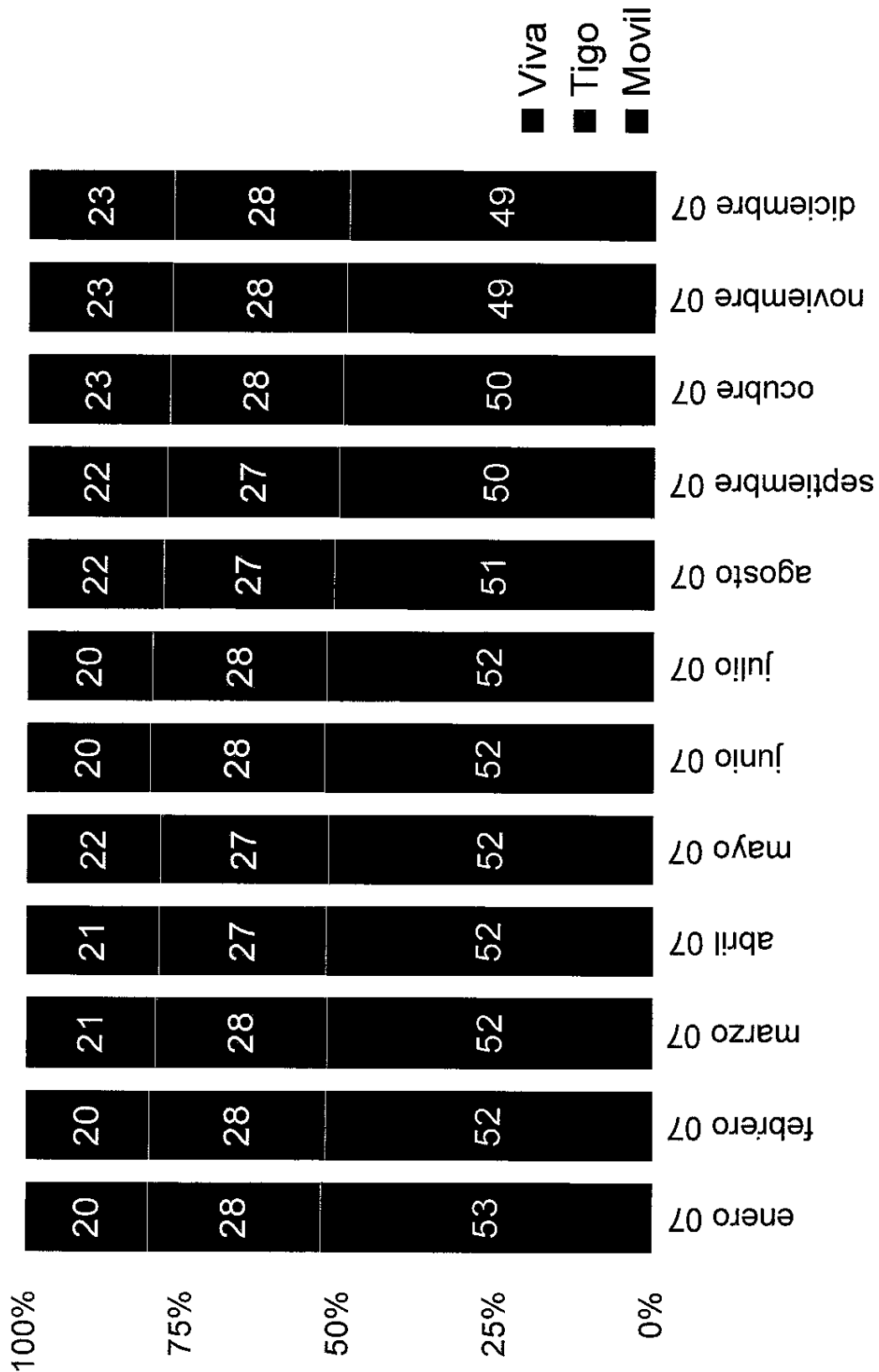


altas netas 2007

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

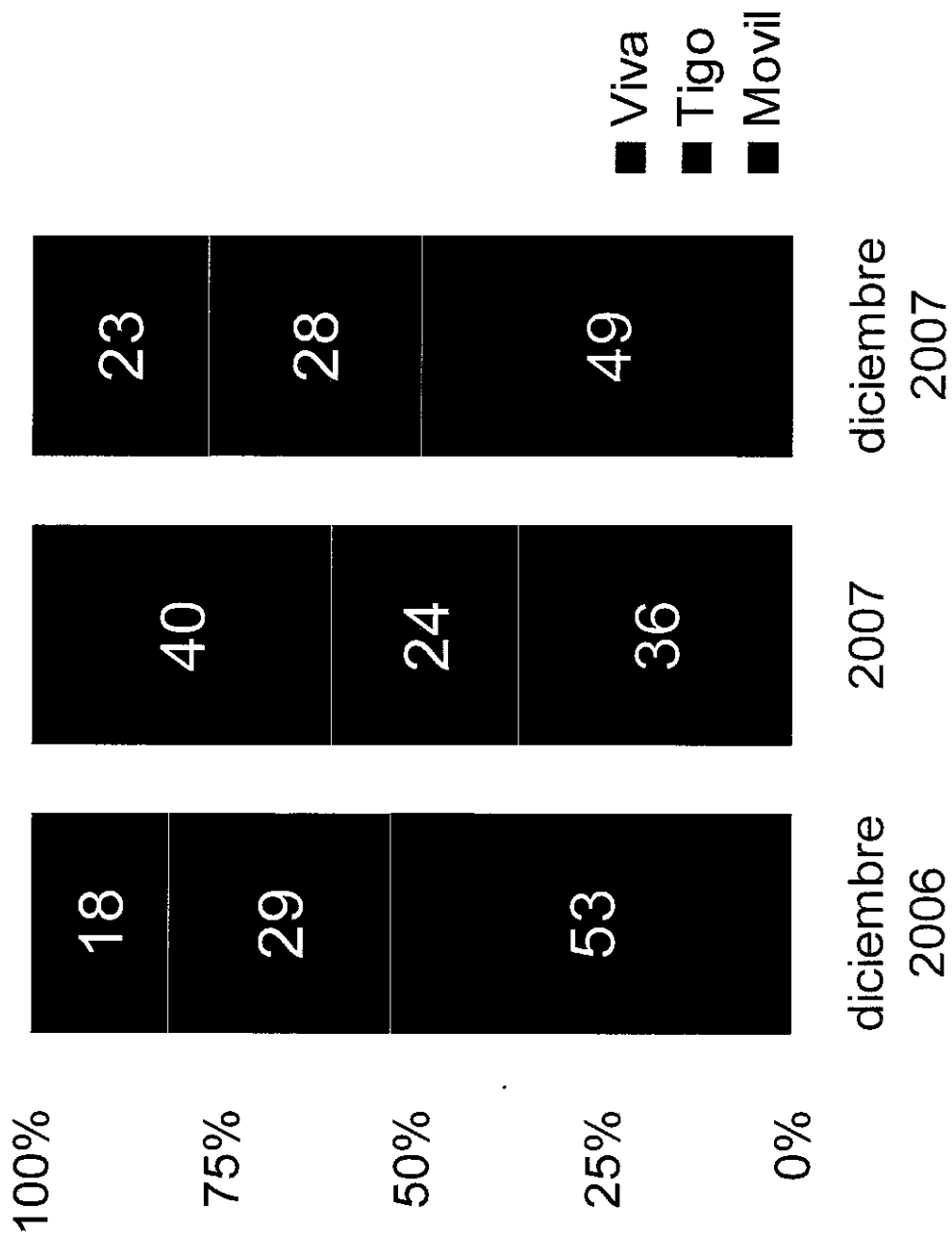


Participación de Mercado



Participación de Mercado

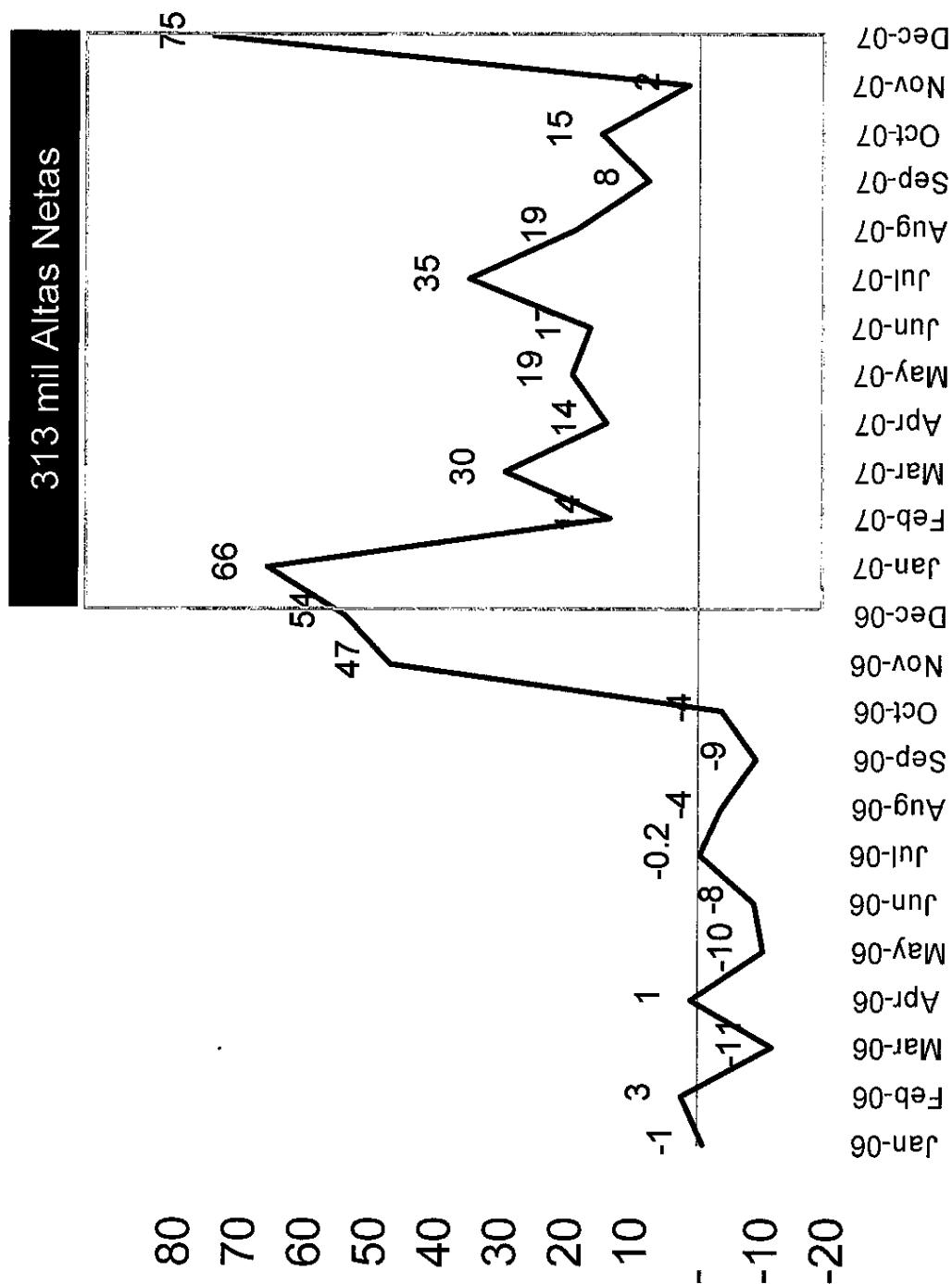
Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008



Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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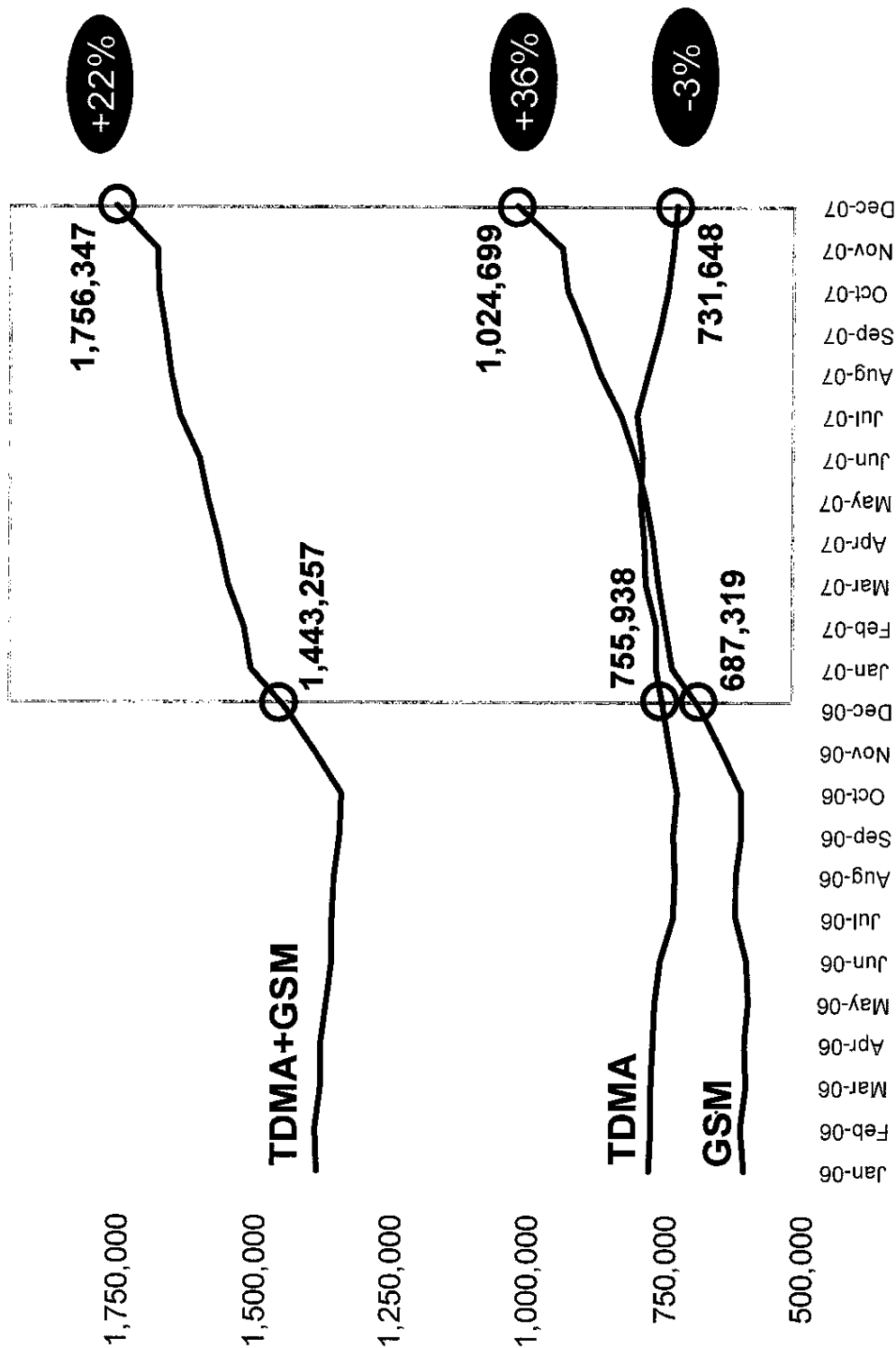
Altas Netas



Cientes Activos Móvil

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
12 de Febrero de 2008

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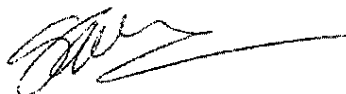


DECLARATION OF ACCURACY

I, Silvia Gil De Cwilich, hereby declare as follows:

I am fluent in Spanish and English and the following is, to the best of my knowledge and belief, a true and accurate translation from Spanish to English of the Entel PowerPoint presentation, "Análisis Económico-Financiero y Gestional Diciembre 2007," dated February 12, 2008.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct. Executed on June 18, 2008.

A handwritten signature in black ink, appearing to be 'Silvia Gil De Cwilich', with a long horizontal line extending to the right.

Silvia Gil De Cwilich

EXHIBIT 2

ENTELE S.A.

CURRENT
BANK DEPOSITS
(Stated in USD)

TERM	BANK	START DATE	END DATE	DAYS TO MATURITY	PRINCIPAL	INTEREST RATE	INTEREST	PRINCIPAL + INTEREST	INVESTMENT TYPE
3 MONTHS	DEUTSCHE BANK 1	Nov. 25, 2005	Feb. 23, 2006	(328)	15,000,000.00	4.31000	161,625.00	15,161,625.00	DPF
3 MONTHS	INTESA BCI - 1	Nov. 25, 2005	Feb. 23, 2006	(328)	1,561,221.47	4.31000	16,822.16	1,578,043.63	DPF
TOTAL					16,561,221.47	4.31000	178,447.16	16,739,668.63	

NY ACCOUNT BALANCE

CITIBANK	AS OF	Dec. 31, 2005	USD	4,094,723.47	3.050000
INTESABCI		Dec. 31, 2005	USD	-	-
UNICREDITO		Dec. 31, 2005	USD	58,229.18	-
JP MORGAN		Dec. 31, 2005	USD	12,965,951.36	4.190000

CURRENT
CASH COLLATERAL
(Stated in USD)

TERM	BANK	START DATE	END DATE	DAYS TO MATURITY	PRINCIPAL	INTEREST RATE	INTEREST	PRINCIPAL + INTEREST	BENEF.	No. LC
1 YEAR	UNICREDITO	Apr. 17, 2005	Apr. 18, 2006	(274)	10,197,299.53	3.50000	362,853.91	10,560,153.44	SITTEL	33408
4 MONTHS	BISA-BOLIVIA	Dec. 8, 2005	Apr. 17, 2006	(275)	20,000.00	3.35000	241.94	20,241.94	Ministry for Serv.	27276
TOTAL CASH COLLATERAL					10,217,299.53	3.49971	363,095.85	10,580,395.38		

TOTAL AVAILABILITY IN BOLIVIA AS OF 12/31/2005 USD 8,788,128.92

TOTAL AVAILABILITY USD 52,685,553.93

BANK	USD	AVERAGE RATE
INTESA BCI	1,561,221.47	4.310000
DEUTSCHE BANK	15,000,000.00	4.310000
UNICREDITO	10,197,299.53	3.500000
CITIBANK	4,094,723.47	3.050000
BISA-BOLIVIA	20,000.00	3.350000
CTAS CTES NY	58,229.18	0.000000
JP MORGAN	12,965,951.36	4.190000
Total	43,897,425.01	3.962708

LIBOR INTEREST RATE	
1 M	4.490000
3 M	4.600000
6 M	4.720000
1 Y	4.800000
PRIME RATE	7.250000

EXCHANGE RATE	
	8.08
	8.00

ENTEL S.A.

DEPOSITOS BANCARIOS
ACTUALMENTE VIGENTES
(Expresado en Dólares Americanos)

DURACION	BANCO	FECHA INICIAL	FECHA FINAL	DIAS AL VENC.	CAPITAL	TASA DE INTERES	INTERES	CAPITAL + INTERES	TIPO DE INVERSION
3 meses	DEUTSCHE BANK 1	25-Nov-05	23-Feb-06	(328)	15,000,000.00	4.31000	161,625.00	15,161,625.00	DPF
3 meses	INTESA BCI - 1	25-Nov-05	23-Feb-06	(328)	1,561,221.47	4.31000	16,822.16	1,578,043.63	DPF
TOTAL					16,561,221.47	4.31000	178,447.16	16,739,668.63	

SALDO CUENTAS NY				
CITIBANK	SALDO AL	31-Dec-05	USD	3.050000
INTESABCI		31-Dec-05	USD	-
UNICREDITO		31-Dec-05	USD	58,229.18
JP MORGAN		31-Dec-05	USD	12,965,951.36
				4.190000

DEPOSITO POR FIANZA - CASH COLLATERAL
ACTUALMENTE VIGENTES
(Expresado en Dólares Americanos)

DURACION	BANCO	FECHA INICIAL	FECHA FINAL	DIAS AL VENC.	CAPITAL	TASA DE INTERES	INTERES	CAPITAL + INTERES	BENEF.	Nº. LC
1 AÑO	UNICREDITO	17-Apr-05	18-Apr-06	(274)	10,197,299.53	3.50000	362,853.91	10,560,153.44	SITTEL	33408
4 MESES	BISA -BOLIVIA	8-Dec-05	17-Apr-06	(275)	20,000.00	3.35000	241.94	20,241.94	MIN SERV Y OBR	27276
TOTAL CASH COLLATERAL					10,217,299.53	3.49971	363,095.85	10,580,395.38		

TOTAL DISPONIBILIDAD EN BOLIVIA AL 31/12/2005 USD 8,788,128.92

TOTAL DISPONIBILIDAD USD 52,685,553.93

BANCO	USD	TASA PROMEDIO
INTESA BCI	1,561,221.47	4.310000
DEUTSCHE BANK	15,000,000.00	4.310000
UNICREDITO	10,197,299.53	3.500000
CITIBANK	4,094,723.47	3.050000
BISA BOLIVIA	20,000.00	3.350000
CTAS CTES NY	58,229.18	0.000000
JP MORGAN	12,965,951.36	4.190000
Total	43,897,425.01	3.962708

TASAS DE INTERES LIBOR	
1 M	4.490000
3 M	4.600000
6 M	4.720000
1 Y	4.800000
PRIME RATE	7.250000

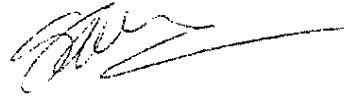
TIPO DE CAMBIO	
	8.08
	8.00

DECLARATION OF ACCURACY

I, Silvia Gil De Cwilich, hereby declare as follows:

I am fluent in Spanish and English and the following is, to the best of my knowledge and belief, a true and accurate translation from Spanish to English of the excel spreadsheet "Cash Flow Schedule as of 12/31/2005."

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct. Executed on June 18, 2008.

A handwritten signature in black ink, appearing to read 'Silvia Gil De Cwilich', with a long horizontal line extending to the right.

Silvia Gil De Cwilich

EXHIBIT 3

ENTEL S.A.

CURRENT
TIME DEPOSITS
(Stated in USD)

TERM	BANK	START DATE	END DATE	DAYS TO MATURITY	PRINCIPAL	INTEREST RATE	INTEREST	PRINCIPAL + INTEREST
67 DAYS	UNICREDITO - 1	Dec. 29, 2006	Mar. 6, 2007	54	13,427,456.65	5.27000	131,697.24	13,559,153.89
67 DAYS	DEUTSCHE BANK 1	Dec. 29, 2006	Mar. 6, 2007	54	20,378,815.00	5.29000	200,635.09	20,579,450.09
2 MONTHS	DEUTSCHE BANK 2	Nov. 24, 2006	Jan. 23, 2007	12	10,000,000.00	5.29000	88,166.67	10,088,166.67
3 MONTHS	DEUTSCHE BANK 3	Nov. 24, 2006	Feb. 22, 2007	42	10,000,000.00	5.30000	132,500.00	10,132,500.00
67 DAYS	INTESA BCI - 1	Dec. 29, 2006	Mar. 6, 2007	54	12,173,786.67	5.29000	119,854.31	12,293,640.98
2 MONTHS	INTESA BCI - 2	Dec. 15, 2006	Feb. 13, 2007	33	10,000,000.00	5.29000	88,166.67	10,088,166.67
TOTAL TIME DEPOSITS					75,980,058.32	4.59155	761,019.98	76,741,078.30

CURRENT
CASH COLLATERAL
(Stated in USD)

TERM	BANK	START DATE	END DATE	DAYS TO MATURITY	PRINCIPAL	INTEREST RATE	INTEREST	PRINCIPAL + INTEREST	BENEF.	No. LC
1 YEAR	UNICREDITO	Apr. 19, 2006	Apr. 18, 2007	97	11,596,741.47	5.25000	615,593.69	12,212,335.16	SITTEL	33408
TOTAL CASH COLLATERAL					11,596,741.47	5.25000	615,593.69	12,212,335.16		

NEW YORK ACCOUNT BALANCES

BANK	DATE	CURRENCY	AMOUNT	INTEREST RATE
CITIBANK	AS OF Dec. 31, 2006	USD	504,719.35	3.687500
UNICREDITO	Sep. 30, 2006	USD	10,515.00	-
JP MORGAN	Dec. 31, 2006	USD	5,745,802.08	5.120000
INVIK (Roaming)	Nov. 30, 2006	USD	668,431.83	-
DEUTSCHE BANK (Roaming)	Oct. 31, 2006	USD	538,815.98	-

Availability in Bolivia as of 12/31/06	USD	8,881,419.88
--	-----	--------------

TOTAL AVAILABILITY	USD	103,926,503.91
---------------------------	------------	-----------------------

Cash Collateral as of 12/31/06	Bs	17,983,125.99
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BANK	USD	AVERAGE RATE
DEUTSCHE BANK	40,378,815.00	5.292477
UNICREDITO	25,024,198.12	5.260732
INTESA BCI	22,173,786.67	5.290000
CITIBANK	504,719.35	3.687500
CTAS CTES NY	10,515.00	0.000000
INVIK-DEUTSCHE	1,207,247.81	0.000000
JP MORGAN	5,745,802.08	5.120000
TOTAL	95,045,084.03	5.196781

LIBOR INTEREST RATE	
1 M	5.350000
3 M	5.370000
6 M	5.330000
1 Y	5.210000
PRIME RATE	8.000000

EXCHANGE RATE	
7.93	8.03

ENTEL S.A.

DEPOSITOS A PLAZO FIJO - TIME DEPOSITS
ACTUALMENTE VIGENTES
 (Expresado en Dólares Americanos)

DURACION	BANCO	FECHA INICIAL	FECHA FINAL	DIAS AL VENC.	CAPITAL	TASA DE INTERES	INTERES	CAPITAL + INTERES
67 DIAS	UNICREDITO - 1	29-Dec-06	6-Mar-07	54	13,427,456.65	5.27000	131,697.24	13,559,153.89
67 DIAS	DEUTSCHE BANK 1	29-Dec-06	6-Mar-07	54	20,378,815.00	5.29000	200,635.09	20,579,450.09
2 MESES	DEUTSCHE BANK 2	24-Nov-06	23-Jan-07	12	10,000,000.00	5.29000	88,166.67	10,088,166.67
3 MESES	DEUTSCHE BANK 3	24-Nov-06	22-Feb-07	42	10,000,000.00	5.30000	132,500.00	10,132,500.00
67 DIAS	INTESA BCI - 1	29-Dec-06	6-Mar-07	54	12,173,786.67	5.29000	119,854.31	12,293,640.98
2 MESES	INTESA BCI - 2	15-Dec-06	13-Feb-07	33	10,000,000.00	5.29000	88,166.67	10,088,166.67
TOTAL TIME DEPOSIT					75,980,058.32	4.59155	761,019.98	76,741,078.30

DEPOSITO POR FIANZA - CASH COLLATERAL
ACTUALMENTE VIGENTES
 (Expresado en Dólares Americanos)

DURACION	BANCO	FECHA INICIAL	FECHA FINAL	DIAS AL VENC.	CAPITAL	TASA DE INTERES	INTERES	CAPITAL + INTERES	BENEF.	No. LC
1 AÑO	UNICREDITO	19-Apr-06	18-Apr-07	97	11,596,741.47	5.25000	615,593.69	12,212,335.16	SITTEL	33408
TOTAL CASH COLLATERAL					11,596,741.47	5.25000	615,593.69	12,212,335.16		

SALDO CUENTAS NUEVA YORK

BANCO	FECHA	MONEDA	MONTO	TASA DE INTERES
CITIBANK	SALDO AL	31-Dec-06	USD 504,719.35	3.687500
UNICREDITO		30-Sep-06	USD 10,515.00	-
JP MORGAN		31-Dec-06	USD 5,745,802.08	5.120000
INVIK (Roaming)		30-Nov-06	USD 668,431.83	-
DEUTSCHE BANK (Roaming)		31-Oct-06	USD 538,815.98	-

DISPONIBILIDAD EN BOLIVIA AL 31/12/2006 USD **8,881,419.88**

TOTAL DISPONIBILIDAD USD **103,926,503.91**

RETENCIONES JUDICIALES VIGENTES AL 31/12/2006 Bs **17,983,125.99**

BANCO	USD	TASA PROMEDIO
DEUTSCHE BANK	40,378,815.00	5.292477
UNICREDITO	25,024,198.12	5.260732
INTESA BCI	22,173,786.67	5.290000
CITIBANK	504,719.35	3.687500
CTAS CTES NY	10,515.00	0.000000
INVIK-DEUTSCHE	1,207,247.81	0.000000
JP MORGAN	5,745,802.08	5.120000
TOTALES	95,045,084.03	5.196781

TASAS DE INTERES LIBOR	
1 M	5.350000
3 M	5.370000
6 M	5.330000
1 Y	5.210000
PRIME RATE	8.000000

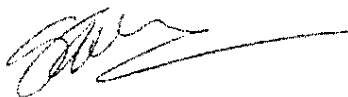
TIPO DE CAMBIO	
7.93	8.03

DECLARATION OF ACCURACY

I, Silvia Gil De Cwilich, hereby declare as follows:

I am fluent in Spanish and English and the following is, to the best of my knowledge and belief, a true and accurate translation from Spanish to English of the excel spreadsheet "Cash Flow Schedule as of 12/31/2006."

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct. Executed on June 18, 2008.

A handwritten signature in black ink, appearing to read 'Silvia Gil De Cwilich', with a long horizontal line extending to the right.

Silvia Gil De Cwilich

EXHIBIT 4

12/31/2007

ENTEL S.A.

CURRENT
TIME DEPOSITS
(Stated in USD)

TERM	BANK	START DATE	END DATE	DAYS TO MATURITY	PRINCIPAL	INTEREST RATE	INTEREST	PRINCIPAL + INTEREST
1 MONTH	UNICREDITO - 1	Dec 10, 2007	Jan 10, 2008	6	20,318,897.23	4.750000	83,109.93	20,402,007.16
1 MONTH	UNICREDITO - 2	Dec 28, 2007	Jan 28, 2008	24	8,500,000.00	4.600000	33,869.44	8,533,869.44
45 DAYS	UNICREDITO - 3	Dec 17, 2007	Jan 31, 2008	27	11,611,596.87	4.760000	69,089.00	11,680,685.87
46 DAYS	DEUTSCHE BANK 1	Dec 3, 2007	Jan 18, 2008	14	38,016,597.45	5.040000	244,826.89	38,261,424.34
46 DAYS	DEUTSCHE BANK 2	Dec 17, 2007	Jan 31, 2008	27	10,579,782.82	4.860000	64,272.18	10,644,055.00
46 DAYS	INTESA BCI - 1	Dec 3, 2007	Jan 18, 2008	14	26,631,728.48	5.120000	174,230.69	26,805,959.17
2 MONTHS	INTESA BCI - 2	Nov 19, 2007	Jan 18, 2008	14	12,000,000.00	4.84438	96,887.60	12,096,887.60
TOTAL TIME DEPOSITS					127,658,602.85	4.92246	766,085.73	128,424,688.58

NEW YORK ACCOUNT BALANCES

BANK	DATE	CURRENCY	AMOUNT	INTEREST RATE
CITIBANK	AS OF 11/30/2007	USD	32,687.56	0.000000
UNICREDITO	11/30/2007	USD	3,165.97	-
JP MORGAN	12/31/2007	USD	6,603,653.11	4.750000
INVIV (Roaming)	11/30/2007	USD	362,308.74	-
DEUTSCHE BANK (Roaming)	12/31/2007	USD	1,130,025.38	-

[AVAILABILITY IN BOLIVIA AS OF 12/31/2007] USD 11,079,941.87

TOTAL AVAILABILITY	USD	145,870,425.47
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CASH COLLATERAL AS OF 12/31/2007	Bs	26,020,550.82
----------------------------------	----	---------------

BANK	USD	AVERAGE RATE
DEUTSCHE BANK	48,596,380.27	5.000813
UNICREDITO	40,430,484.10	4.721336
INTESA BCI	38,631,728.48	5.034385
CITIBANK	27,744.38	0.000000
CTAS CTES NY	3,165.97	0.000000
INVIV-DEUTSCHE	1,050,075.91	0.000000
JP MORGAN	6,603,693.11	4.750000
TOTAL	135,343,282.22	4.874730

LIBOR INTEREST RATE	
1 M	4.600000
3 M	4.700000
6 M	4.600000
1 Y	4.220000
PRIME RATE	7.000000

EXCHANGE RATE	
7.57	7.67

31-Dec-07

ENTEL S.A.

DEPOSITOS A PLAZO FIJO - TIME DEPOSITS
ACTUALMENTE VIGENTES
(Expresado en Dólares Americanos)

DURACION	BANCO	FECHA INICIAL	FECHA FINAL	DÍAS AL VENC.	CAPITAL	TASA DE INTERES	INTERES	CAPITAL + INTERES
1 MES	UNICREDITO - 1	10-Dec-07	10-Jan-08	6	20,318,887.23	4.750000	83,109.93	20,402,007.16
1 MES	UNICREDITO - 2	28-Dec-07	28-Jan-08	24	8,500,000.00	4.800000	33,669.44	8,533,669.44
45 DIAS	UNICREDITO - 3	17-Dec-07	31-Jan-08	27	11,611,596.87	4.760000	69,089.00	11,680,685.87
46 DIAS	DEUTSCHE BANK 1	3-Dec-07	18-Jan-08	14	38,016,597.45	5.040000	244,826.89	38,261,424.34
46 DIAS	DEUTSCHE BANK 2	17-Dec-07	31-Jan-08	27	10,579,782.82	4.860000	64,272.18	10,644,055.00
46 DIAS	INTESA BCI - 1	3-Dec-07	18-Jan-08	14	28,631,728.48	5.120000	174,230.69	28,805,959.17
2 MESES	INTESA BCI - 2	19-Nov-07	18-Jan-08	14	12,000,000.00	4.84438	96,887.60	12,096,887.60
TOTAL TIME DEPOSIT					127,658,602.85	4.92246	766,085.73	128,424,688.58

SALDO CUENTAS NUEVA YORK

BANCO	FECHA	MONEDA	MONTO	TASA DE INTERES
CITIBANK	SALDO AL	30-Nov-07	USD 32,687.56	0.000000
UNICREDITO		30-Nov-07	USD 3,165.97	-
JP MORGAN		31-Dec-07	USD 6,603,693.11	4.750000
INVIK (Roaming)		30-Nov-07	USD 362,308.74	-
DEUTSCHE BANK (Roaming)		31-Dec-07	USD 1,130,025.38	-

DISPONIBILIDAD EN BOLIVIA AL 31/12/2007 USD 11,079,941.87

TOTAL DISPONIBILIDAD USD 146,870,425.47

RETENCIONES JUDICIALES VIGENTES AL 31/12/2007 Bs 26,020,550.82

BANCO	USD	TASA PROMEDIO
DEUTSCHE BANK	48,596,380.27	5.000813
UNICREDITO	40,430,494.10	4.721336
INTESA BCI	38,631,728.48	5.034385
CITIBANK	27,744.38	0.000000
CTAS CTES NY	3,165.97	0.000000
INVIK-DEUTSCHE	1,050,075.91	0.000000
JP MORGAN	6,603,693.11	4.750000
TOTALES	135,343,282.22	4.874730

TASAS DE INTERES LIBOR	PRIME RATE
1 M	4.600000
3 M	4.700000
6 M	4.600000
1 Y	4.220000
PRIME RATE	7.000000

TIPO DE CAMBIO	
7.57	7.67

DECLARATION OF ACCURACY

I, Silvia Gil De Cwilich, hereby declare as follows:

I am fluent in Spanish and English and the following is, to the best of my knowledge and belief, a true and accurate translation from Spanish to English of the excel spreadsheet "Cash Flow Schedule as of 12/31/2007."

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct. Executed on June 18, 2008.

A handwritten signature in black ink, appearing to read 'Silvia Gil De Cwilich', with a long horizontal line extending to the right.

Silvia Gil De Cwilich

EXHIBIT 5



entel

Financial-Economic & Management Report
Consolidated as of March 2008

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008



Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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Contents

3-4	Income Statement, Balance Sheet
5-7	UFV* Impact on 2008 Earnings & Budget
8-9	Cash Flow, Financial Availability (Cash & Banks)
10-20	Costs, Expenses, Headcount, Investments

*Translator's Note: UFV: Unidad de Fomento de Vivienda

Income Statement

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008



	March			% Change		Year	
	2007 Actual	2008 Budget	2008 Actual	v 07	v Bdgt	2007 Actual	2008 Budget
Millions of B\$							
Gross Income	549	577	594	8%	3%	2,225	2,412
Interconnection Cost	(97)	(107)	(128)	32%	20%	(416)	(477)
Net Income	452	470	466	3%	-1%	1,808	1,935
Third-Party Expenses	(153)	(164)	(149)	-2%	-9%	(608)	(670)
Payroll	(37)	(44)	(41)	11%	-8%	(151)	(187)
Gross Margin	262	262	276	5%	5%	1,049	1,077
Bad Debts	2	(8)	(5)	-368%	-31%	(19)	(31)
Inventory Devaluation	1	(0)		-100%	-100%	(1)	(1)
EBITDA	265	254	270	2%	7%	1,030	1,045
	48%	44%	46%			46%	43%
Depreciation & Amortization	(85)	(79)	(81)	-5%	2%	(326)	(316)
Operating Income	180	175	190	6%	9%	703	729
Extraordinary Mgmt. Balance	(8)	(3)	(1)	-87%	-63%	(17)	(13)
EBIT	172	172	189	10%	10%	686	715
	31%	30%	32%			31%	30%
Financial Mgmt. Balance	10	7	(13)	-233%	-275%	28	28
UFV Inflation Adjustment			(26)				
EBT	182	179	150	-18%	-17%	714	744
Income Tax (IUE)*	(31)	(43)	(35)	13%	-19%	(122)	(176)
Net Earnings	151	136	115	-24%	-16%	591	568
	27%	24%	19%			27%	24%

*Translator's Note: IUE: Impuesto a las Utilidades de las Empresas (Business Income Tax)

Balance Sheet

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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	2007		March		% Change		Year	
	Actual	Budget	Actual	2008	v 07	v Bdgt	Actual	Budget
Millions of B\$								
Assets	3.674	3.883		3.780	3%	-3%	4.124	4.295
Current	1.427	1.762		1.739	22%	-1%	2.076	2.205
for which:								
Cash & Cash Equivalents	666	747		710	8%	-2%	1.116	1.166
Non-current	2.247	2.121		2.040	-9%	-4%	2.048	2.090
Long term Investments	479	9		29	1%	1%	119	19
Fixed Assets Net	2.168	2.044		1.991	-9%	1%	1.971	2.023
Deferred Charges Net	69	67		168	22%	0%	168	68
Liabilities & Shareholders' Equity	3.674	3.883		3.780	3%	-3%	4.124	4.295
Current	759	1.016		886	17%	-13%	871	1.006
Non-current	67	79		75	12%	-5%	73	92
Shareholders' Equity	2.847	2.788		2.818	-1%	1%	3.180	3.198
Capital Paid in	1.281	1.281		1.281	0%	0%	1.281	1.281
Capital Adjustment	1.099	1.099		1.099	0%	0%	1.099	1.099
Issuance Premium	130	154		160	23%	2%	130	154
Legal Reserve	187	118		79	-68%	-34%	179	96
Global Equity Adjustment				48				
Adjustment of Equity Reserves								
Retained Earnings	151	136		115	-24%	-16%	69	568

UFV Impact on Balance Sheet

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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Millions of B\$	March		2008 Actual
	2008 W/O Adjust.	2008 UFV Adjust.	
Assets	3.721	59	3.780
Current	1.739		1.739
Cash & Banks	719		719
Non-current	1.981	59	2.040
Long-term Investments	19	0	19
Fixed Assets Net	1.907	57	1.964
Deferred Charges Net	56	2	58
Liabilities & Shareholders' Equity	3.721	59	3.780
Current	886		886
Non-current	75		75
Shareholders' Equity	2.759	59	2.818
Capital Paid	1.281		1.281
Capital Adjustment	37		37
Insurance Premium	1.099		1.099
Legal Reserve	160		160
Global Equity Adjustment	79		79
Equity Reserve Adjustment	48		48
Retained Earnings	141	(26)	115

UFV Impact on Income Statement

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008



	March 2008	Actual
Millions of B\$		
Gross Income	4	
Interconnection Costs	(5)	
Net Income	(1)	
Third-Party Expenses		
Payroll		
Gross Margin	(1)	
Bad Debts		
Inventory Devaluation		
EBITDA	(1)	
Depreciation & Amortization	(2)	
Operating Income	(3)	
Extraordinary Mgmt. Balance		
EBIT	(3)	
Financial Mgmt. Balance		
UFV Inflation Adjustment	(26)	
EBT	(29)	
Taxes - I.U.E.	7	
Net Earnings	(22)	

Fixed Asset Inflation (income)
B\$ 59 Million

Global Equity Inflation
Adjustment (expense)
B\$ 85 Million

UFV Impact on 2008 Budget

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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	Year				UFV
	2006	2007	2008	2008	
Millions of B\$	Actual	Actual	Budget	Budget Adjusted for UFV	
Gross Income	1,966	2,225	2,412	2,412	0
Interconnection Cost	(312)	(416)	(477)	(477)	0
Net Income	1,654	1,808	1,935	1,935	0
Third-Party Expenses	(584)	(608)	(670)	(670)	0
Payroll	(120)	(151)	(187)	(187)	0
Gross Margin	950	1,049	1,077	1,077	0
Bad Debts	(71)	(19)	(31)	(31)	0
Inventory Devaluation	(1)	(1)	(1)	(1)	0
EBITDA	878	1,030	1,045	1,045	0
	45%	46%	43%	43%	
Depreciation & Amortization	(379)	(326)	(316)	(316)	0
Operating Income	500	703	729	729	0
Extraordinary Mgmt. Balance	(13)	(17)	(13)	(13)	0
EBIT	487	686	715	715	0
	25%	31%	30%	30%	
Financial Mgmt. Balance	29	28	28	28	0
Inflation Adjustment				(76)	-76
EBT	515	714	744	667	-76
Income Tax (IUE)	(109)	(122)	(176)	(157)	19
Net Earnings	406	591	568	511	-57
	21%	27%	24%	21%	

B\$ 19 Million
Decrease in Income
Tax Payment

B\$ 57 Million
Decrease in Earnings

Cash Flow

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

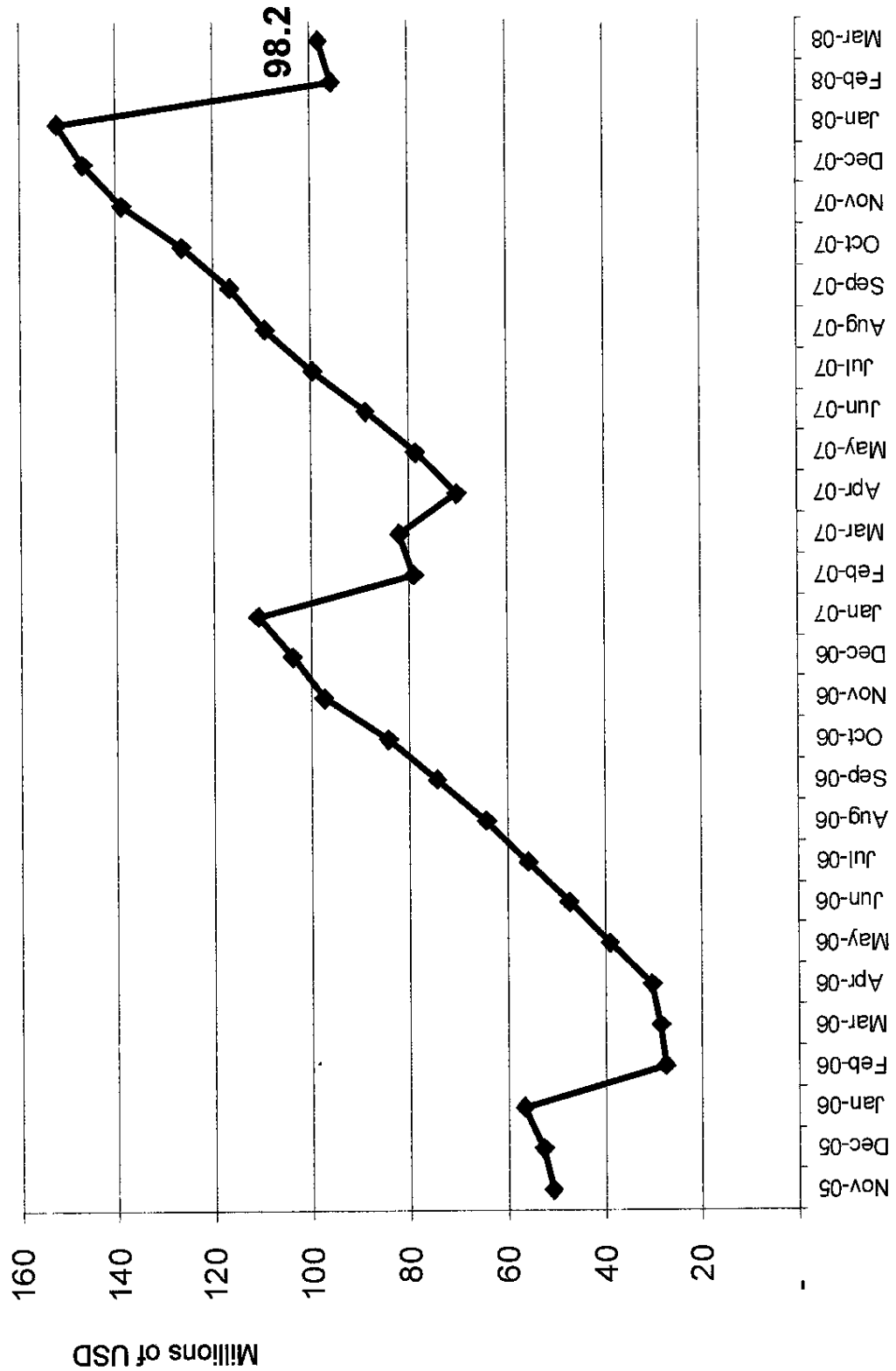
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Millions of B\$	2007		March 2008		% Change		Year	
	Actual		Budget	Actual	v 07	v Bdgt	Actual	Budget
Cash at Beginning of Period	838		1,034	1,116	33%	8%	838	1,033
Operating Income	490		492	468	-4%	-5%	1,888	2,056
Operating Expense	(214)		(219)	(185)	-14%	-16%	(809)	(898)
Investments	(34)		(59)	(33)	-4%	-45%	(104)	(260)
Operating Cash Flow	241		214	251	4%	17%	975	897
Financial Income - Expense	9		9	12	35%	31%	40	33
Taxes	(67)		(87)	(104)	56%	20%	(350)	(374)
Exchange Rate Adjustment	(4)			(24)	563%		(32)	
Free Operating Cash Flow	179		135	134	-26%	-1%	633	556
Dividends	(359)		(422)	(523)	46%	24%	(361)	(422)
Capital Reduction	(0)		(0)	(0)	180%	-8%	(0)	(1)
Net Flow	(180)		(288)	(390)	117%	35%	272	132
Accounting Reconciliation	7		(0)	(7)	-206%		6	
Cash at End of Period	666		747	719	8%	-4%	1,116	1,165

Confidential and Privileged Information
 for the Board of Entel S.A.
 April 29, 2008

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Financial Availability (Cash & Banks) February 2006



Interconnection Cost

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008



	2007		March		2008		% Change		Year	
	Actual		2008		Budget	Actual	v 07	v Bdgt	2007	2008
Millions of B\$									Actual	Budget
	97		107			128	32%	20%	416	477
Local	31		39			38	24%	-3%	152	204
National	51		51			75	47%	49%	203	207
International	15		17			15	-5%	-14%	61	66

Third-Party Expenses

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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	March				% Change		Year	
	2007 Actual	2008 Budget	2008 Actual	v 07	v Bdat	2007 Actual	2008 Budget	
Millions of B\$								
	153	164	149	-2%	-9%	608	670	
Selling Expenses	71	76	71	0%	-7%	296	313	
Operating Expenses	51	55	48	-5%	-13%	186	229	
General Expenses	27	27	25	-6%	-9%	104	103	
Contribution to Superintendence	5	6	6	18%	-10%	22	25	

Selling Expenses

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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	March				Year	
	2007	2008	2008	% Change	2007	2008
Millions of B\$	Actual	Budget	Actual	v 07	Actual	Budget
				v Bdgt		
Cost of Goods & Services	71	76	71	0%	296	313
Collections Fee	10	10	12	24%	40	44
Commissions & Discounts	3	3	1	-77%	12	13
	47	48	48	4%	187	191
Of which						
Fixed Sales	0	1	0	-100%	2	2
Mobile Sales	13	14	11	-20%	47	52
Entel Recarga	8	8	9	13%	26	46
Prepaid Card Sales	21	14	14	-33%	63	48
Cads and Entel Points	12	10	10	-17%	43	41
Agua Entel Sales	0	0	0	157%	1	1
Invoicing	1	1	1	-26%	2	3
Commercial Advertising	10	13	8	-17%	53	58
Other Selling Expenses	0	2	0	304%	2	5
Of which						
HR outsourcing	0	0	0	629%	1	0
Other	0	2	0	253%	2	5

Operating Expenses

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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vivir sin fronteras

	March		% Change		Year	
	2007	2008	2007	2008	2007	2008
Actual	Budget	Actual	v 07	v Bdat	Actual	Budget
Millions of B\$						
51	55	48	-5%	-13%	186	229
HR Outsourcing						
Operating Leases	20	21	1%	-5%	71	85
of which:						
3	10	9	6%	-10%	130	40
6	16	6	-18%	-5%	21	21
3	4	1	-16%	-14%	14	17
Maintenance	28	31	-9%	-17%	103	130
of which:						
9	7	7	-17%	-6%	17	31
4	5	4	-1%	-17%	17	20
3	3	3	-6%	-2%	11	13
3	4	3	-11%	-35%	15	18
Submarine Cable Restoration	1	1	-8%	-2%	5	5
IT Expenses	0	0	-8%	-32%	1	1
Fuels & Lubes	0	0	-44%	-48%	1	1
Other	1	1	-13%	-40%	6	7

General Expenses

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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	March				Year	
	2007 Actual	2008 Budget	2008 Actual	% Change v 07	2007 Actual	2008 Budget
Millions of B\$						
27	27	27	25	-6%	104	103
Insurance	2	2	2	13%	7	7
Office Rent	2	3	3	26%	9	11
Utilities	5	6	6	14%	21	22
Maintenance Expenses	1	2	1	29%	5	6
Fuels & Lubes	0	0	0	16%	1	1
Professional Services	7	5	3	-56%	18	13
Donations	0	0	0	100%	2	2
Travel	1	1	1	-4%	5	5
of which						
Domestic	1	1	1	0%	3	3
International	0	0	0	0%	2	2
Training	0	0	0	0%	3	3
Security	2	3	3	9%	10	11
Internal Security - Police	1	1	1	0%	3	3
External Security - Watchmen	2	2	2	0%	7	7
Other	0	0	0	0%	0	0
Other	5	6	5	-1%	22	20
of which						
CNS Provisions						
Employee Meals & Transportation	2	2	2	0%	8	9
Taxes, Legal, Other	3	4	3	-25%	14	12

*Translator's Note: CNS: Caja Nacional de Salud (Social Security Agency)

HR Expenses

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April 29, 2008

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	2007		March		% Change		Year	
	Actual	Budget	2008	Actual	v 07	v Bdgt	2007	2008
Millions of B\$							Actual	Budget
HR Expenses	48	47	45		-7%	-6%	173	208
Salaries & Comp	42	47	43		3%	-8%	161	196
Personnel Expenses	36	43	40		13%	-8%	148	184
	35	43			13%	8%	143	183
	0	0	0		39%	-43%	0	0
Outsourced	3	0	0		99%	-29%	2	0
Meals & Transportation	2	2	2		0%	-8%	8	9
Sales Commissions	1	1	1		35%	-17%	3	4
Training & Ed.	0	0	0		0%	26%	3	3
Other General Ex.	1	1	0		-55%	-49%	4	3
Operating Expenses	0	0	0		1865%	5101%	0	0
Solidarity Support	1	0	1		-33%	1671%	2	1
Litigation Allowance	4		(0)		-100%		4	4

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For the Board of Entel S.A.
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Allowances & Provisions

	March			% Change		Year	
	2007 Actual	2008 Budget	2008 Actual	v 07	v Bdgt	2007 Actual	2008 Budget
Millions of B\$							
Bad Debts	(3)	8	5		-33%	20	32
	(2)	8	5		-31%	19	31
of which:							
Fixed	(26)	6	4		-81%	(9)	107
Mobile	(33)	6			-31%	(25)	24
Average	(33)					(33)	
Waivers	24	0	0		-72%	24	1
Inventory Devaluation	(1)	0				1	1

Investments 2008

Confidential and Privileged Information
For the Board of Entel S.A.
April 29, 2008

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	2007		Year				March 2008	
	Actual	Over Bdg 2007	Over Bdg 2008	New investment	Over Bdg 2009	Actual	Committed	Actual
Millions of USD							v Bdg	v Bdg
Long Distance	22	9	30	2	38	15	41%	5%
Mobile	6	2	6		7	3	41%	6%
Pay Phones	11	7	12		18	8	44%	3%
Entel Points	0		0		0	0	83%	0%
Entelnet & Data	0		0		0	0	87%	3%
Business Services	3	1	9	2	8	2	27%	6%
Information Technology								
Security & Anti-fraud	2		3		3	2	57%	7%
Logistics & Infrastructure	0	0			0	0	87%	0%
	1	0	1		1	0	20%	17%

Investments Made 1996 - 2008

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1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Mar-08	1996-2008
58	147	107	144	63	76	29	28	20	23	25	22	2	743
21	30	32	80	23	30	7	6	8	11	13	11	1	Mobile
26	71	53	37	15	21	8	13	2	5	6	6	0	LD
3	15	3	6	3	5	2	0						Local
1	3	4	4	5	3	2	2	3	3	2	3	0	IP/Data/TV
2	4	1	9	5	3	1	1	1	0	0		0	TP
		1	0	1	3	3	2	2					Datacom
3	13	7	7	9	9	3	2	3	2	3	2	0	TDI
2	12	6	1	2	3	2	1	1	2	1	1	0	Logistics

Millions of USD



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Análisis Económico-Financiero y Gestional Consolidado Marzo 2008

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008



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Estado de Resultados

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

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	Marzo			% desviación		Anual	
	2007	2008	2008	vs 07	vs Pres	2007	2008
Millones de Bolivianos	Ejecutado	Presupuesto	Ejecutado			Ejecutado	Presupuesto
Ingresos Brutos	549	577	594	8%	3%	2.225	2.412
Costo de Interconexión	(97)	(107)	(128)	32%	20%	(416)	(477)
Ingresos Netos	452	470	466	3%	-1%	1.808	1.935
Gastos con Terceros	(153)	(164)	(149)	-2%	-9%	(608)	(670)
Gastos de Personal	(37)	(44)	(41)	11%	-8%	(151)	(187)
Margen Operativo Bruto	262	262	276	5%	5%	1.049	1.077
Deudores Incobrables	2	(8)	(5)	-368%	-31%	(19)	(31)
Desvalorización de Inventarios	1	(0)		-100%	-100%	(1)	(1)
EBITDA	265	254	270	2%	7%	1.030	1.045
	48%	44%	46%			46%	43%
Depreciación y Amortización	(85)	(79)	(81)	-5%	2%	(326)	(316)
Resultado Operativo	180	175	190	6%	9%	703	729
Saldo Gestión Extraordinaria	(8)	(3)	(1)	-87%	-63%	(17)	(13)
EBIT	172	172	189	10%	10%	686	715
	31%	30%	32%			31%	30%
Saldo Gestión Financiera	10	7	(13)	-233%	-275%	28	28
Ajuste por Inflación UFV			(26)				
EBT	182	179	150	-18%	-17%	714	744
Impuestos - I.U.E.	(31)	(43)	(35)	13%	-19%	(122)	(176)
Utilidad Neta	151	136	115	-24%	-16%	591	568
	27%	24%	19%			27%	24%

Balance General

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

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Millones de Bolivianos	Marzo			% desviación		Anual	
	2007 Ejecutado	2008 Presupuesto	2008 Ejecutado	vs 07	vs Pres	2007 Ejecutado	2008 Presupuesto
Activo	3.674	3.883	3.780	3%	-3%	4.124	4.295
Corriente	1.427	1.762	1.739	22%	-1%	2.076	2.205
Disponibilidad Financiera	666	747	749	12%	3%	1.116	1.165
no Corriente	2.247	2.121	2.040	-9%	-4%	2.048	2.090
Inversiones Permanentes	19	9	9	47%	7%	539	9
Activo Fijo Neto	2.168	2.044	1.984	9%	-3%	1.971	2.023
Cargos Diferidos Neto	69	67	66	2%	-0%	68	58
Pasivo y patrimonio Neto	3.674	3.883	3.780	3%	-3%	4.124	4.295
Corriente	759	1.016	886	17%	-13%	871	1.006
no Corriente	67	79	75	12%	-5%	73	92
Patrimonio Neto	2.847	2.788	2.818	-1%	1%	3.180	3.198
Capital Pagado	1.281	1.281	1.281	0%	0%	1.281	1.281
Aporte de Capital	1.099	1.099	1.099	0%	0%	1.099	1.099
Emisión de Emission	130	164	160	23%	-2%	130	164
Reserva Legal	187	187	187	68%	3%	179	96
Aporte Global del Patrimonio	151	151	151	21%	16%	151	151
Aporte de Reservas Patrimoniales	151	151	151	21%	16%	151	151
Reservados Acumulados	151	151	151	21%	16%	151	151

Afectación por UFV al Balance General

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
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Millones de Bolivianos	Marzo		Ejecutado
	2008	2008	
	Sin Ajuste	Ajuste UFV	
Activo	3.721	59	3.780
Corriente	1.739		1.739
Disponibilidad Financiera	719		719
no Corriente	1.981	59	2.040
Inversiones Permanentes	1.907	50	1.957
Activo Neto	1.907	57	1.964
Costos Diferidos	66	2	68

+59

Pasivo y patrimonio Neto	3.721	59	3.780
Corriente	886		886
no Corriente	75		75
Patrimonio Neto	2.759	59	2.818
Capital Pagado	1.281		1.281
Ajuste de Capital	37		37
Prima de Emisión	1.099		1.099
Reserva Legal	160		160
Ajuste Global del Patrimonio	79		79
Ajuste de Reservas Patrimoniales		48	48
Resultados Acumulados	141	(26)	115

-85

-26

Afectación por UFV al Estado de Resultados

Información Confidencial y Privilegiada
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Millones de Bolivianos	Marzo 2008	Ejecutado
Ingresos Brutos	4	
Costo de Interconexión	(5)	
Ingresos Netos	(1)	
Gastos con Terceros		
Gastos de Personal		
Margen Operativo Bruto	(1)	
Deudores Incobrables		
Desvalorización de Inventarios		
EBITDA	(1)	
Depreciación y Amortización	(2)	
Resultado Operativo	(3)	
Saldo Gestión Extraordinaria		
EBIT	(3)	
Saldo Gestión Financiera		
Ajuste por Inflación UFV	(26)	
EBT	(29)	
Impuestos - I.U.E.	7	
Utilidad Neta	(22)	

Inflación Activo Fijo (ingreso)
59 Millones de Bolivianos

Inflación Ajuste Global del
Patrimonio (gasto)
85 Millones de Bolivianos

Afectación por UFV al Presupuesto 2008

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

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Millones de Bolivianos	Anual				UFV
	2006 Ejecutado	2007 Ejecutado	2008 Presupuesto	2008 Presupuesto Ajustado UFV	
Ingresos Brutos	1,966	2,225	2,412	2,412	0
Costo de Interconexión	(312)	(416)	(477)	(477)	0
Ingresos Netos	1,654	1,808	1,935	1,935	0
Gastos con Terceros	(584)	(608)	(670)	(670)	0
Gastos de Personal	(120)	(151)	(187)	(187)	0
Margen Operativo Bruto	950	1,049	1,077	1,077	0
Deudores Incobrables	(71)	(19)	(31)	(31)	0
Desvalorización de Inventarios	(1)	(1)	(1)	(1)	0
EBITDA	878	1,030	1,045	1,045	0
	45%	46%	43%	43%	
Depreciación y Amortización	(379)	(326)	(316)	(316)	0
Resultado Operativo	500	703	729	729	0
Saldo Gestión Extraordinaria	(13)	(17)	(13)	(13)	0
EBIT	487	686	715	715	0
	25%	31%	30%	30%	
Saldo Gestión Financiera	29	28	28	28	0
Ajuste por Inflación					
EBT	515	714	744	(76)	-76
Impuestos - I.U.E.	(109)	(122)	(176)	(157)	19
Utilidad Neta	406	591	568	511	-57
	21%	27%	24%	21%	

Disminución del pago
de IUE de 19 Millones
de Bolivianos

Disminución de utilidades
de 57 Millones de
Bolivianos

Flujo de Caja

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

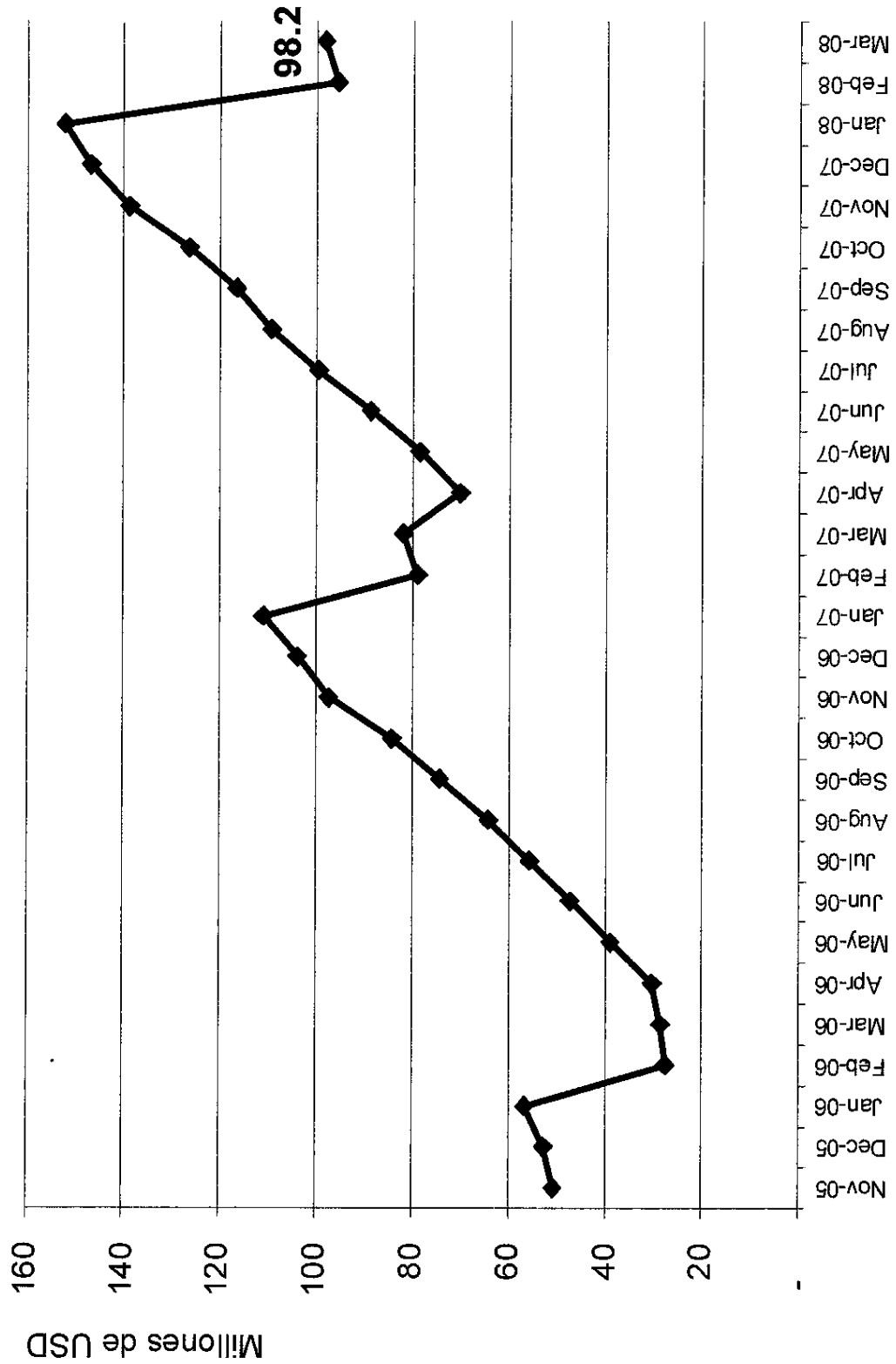
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Millones de Bolivianos	2007			Marzo			Anual		
	Ejecutado	Presupuesto	2008	Ejecutado	2008	% desviación vs 07	vs Pres	Ejecutado	Presupuesto
Disponibilidad Inicial	838	1,034		1,116		33%	8%	838	1,033
Ingresos Operativos	490	492		468		-4%	-5%	1,888	2,056
Gastos Operativos	(214)	(219)		(185)		-14%	-16%	(809)	(898)
Inversiones	(34)	(59)		(33)		-4%	-45%	(104)	(260)
Operating cash Flow	241	214		251		4%	17%	975	897
Ingresos - Gastos Financieros	9	9		12		35%	31%	40	33
Impuestos	(67)	(87)		(104)		56%	20%	(350)	(374)
Ajuste Tipo de Cambio	(4)			(24)		563%		(32)	
Operating Free Cash Flow	179	135		134		-26%	-1%	633	556
Dividendos	(359)	(422)		(523)		46%	24%	(361)	(422)
Reduccion de Capital	(0)	(0)		(0)		180%	-8%	(0)	(1)
Flujo Neto	(180)	(288)		(390)		117%	35%	272	132
Conciliación Contable	7	(0)		(7)		-206%		6	
Disponibilidad Final	666	747		719		8%	-4%	1,116	1,165

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Disponibilidad Financiera Febrero 2008



Costo de Interconexión

Información Confidencial y Privilegiada
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29 de Abril de 2008

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	2007		2008		Maizo		% desviación		Anual	
	Ejecutado	Presupuesto	Ejecutado	Presupuesto	2008	Ejecutado	vs 07	vs Pres	2007	2008
Millones de Bolivianos									Ejecutado	Presupuesto
	97	107	128				32%	20%	416	477
Local	31	39	38				24%	-3%	152	204
Nacional	51	51	75				47%	49%	203	207
Internacional	15	17	15				-5%	-14%	61	66

Gastos con Terceros

Información Confidencial y Privilegiada
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	Marzo			% desviación		Anual	
	2007	2008	2008	vs 07	vs Pres	2007	2008
Millones de Bolivianos	Ejecutado	Presupuesto	Ejecutado			Ejecutado	Presupuesto
	153	164	149	-2%	-9%	608	670
Comerciales	71	76	71	0%	-7%	296	313
Operaciones	51	55	48	-5%	-13%	186	229
Generales	27	27	25	-6%	-9%	104	103
Aporte a la Superintendencia	5	6	6	18%	-10%	22	25

Gastos Comerciales

Información Confidencial y Privilegiada
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29 de Abril de 2008

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	Marzo				Anual	
	2007	2008	Presupuesto	Ejecutado	% desviación vs 07	vs Pres
Millones de Bolivianos	Ejecutado	2008	Presupuesto	Ejecutado	2007	Presupuesto
Costo de los Servicios y Productos	71	76	71	71	0%	-7%
Comision Cobranza	10	10	12	12	24%	17%
Comisiones y Descuentos	3	3	1	1	-77%	-71%
	47	48	48	48	4%	1%
del cual	0	0	0	0	0%	0%
Ventas fijo	0	0	0	0	0%	0%
Ventas Movil	13	14	11	11	-15%	-16%
Recargas fijo	1	1	1	1	0%	0%
Ventas fijo	21	21	17	17	-33%	-44%
Outsourcing fijo	12	10	10	10	-17%	-6%
Ventas Aquiente	10	0	0	0	-100%	-82%
Facturacion	1	1	1	1	-26%	-6%
Publicidad Comercial	10	13	8	8	-17%	-36%
Otros Gastos Comerciales	0	2	0	0	304%	-73%
del cual	0	0	0	0	0%	0%
Outsourcing RH	0	2	0	0	200%	-79%
Otros	0	0	0	0	0%	0%

Millones de Bolivianos	Marzo				vs 07	vs Pres	Ejecutado	Presupuesto	Presupuesto
	2007	2008	2008	% desviación					
	Ejecutado	Presupuesto	Ejecutado						
	51	55	48	-5%	-13%	186	229		
Alquileres Operativos	20	21	20	1%	-5%	71	85		
Flotillas	9	10	9	6%	-10%	30	40		
Flotillas Satelitales	6	5	6	18%	-15%	21	21		
Otros	4	4	4	16%	-14%	14	17		
Mantenimiento	28	31	26	-9%	-17%	103	130		
Equipos de comunicación	9	7	5	17%	-16%	17	31		
Equipos Informáticos	4	5	4	12%	-17%	17	20		
Equipos red satelital	3	3	3	6%	-2%	11	13		
Equipos de transmisión	3	4	4	11%	-16%	16	18		
Restauración Cable Submarino	1	1	1	-8%	-2%	5	5		
Gastos Informáticos	0	0	0	-8%	-32%	1	1		
Combustibles y Lubrificantes	0	0	0	-44%	-48%	1	1		
Otros	1	1	1	-13%	-40%	6	7		

Gastos Generales

Información Confidencial y Privilegiada
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29 de Abril de 2008

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Millones de Bolivianos	2007		Marzo 2008		% desviación vs 07		Anual	
	Ejecutado	Presupuesto	Ejecutado	Presupuesto	vs 07	vs Pres	Ejecutado	Presupuesto
Seguros	27	27	25	27	-6%	-9%	104	103
Alquileres Dependencias Adm.	2	2	2	2	13%	3%	7	7
Servicios Básicos	2	3	3	3	26%	9%	9	11
Gastos de Mantenimiento	5	6	6	6	14%	0%	21	22
Combustibles y Lubricantes	1	2	1	2	29%	-19%	5	6
Servicio de Profesionales	0	0	0	0	16%	-2%	1	1
Donaciones	7	5	3	5	-56%	-39%	18	13
Pasajes y Viáticos	0	0	0	0	100%		2	2
	1	1	1	1	-4%	7%	5	5
Total	41	41	38	41	-7%	-7%	138	138
Nacionales	1	1	1	1	11%	27%	3	3
Internacionales	0	0	0	0	2%	60%	3	2
Capacitación	0	0	0	0	0%	26%	3	3
Seguridad	2	3	3	3	9%	-3%	10	11
Seguridad Interna: Policías	1	1	1	1	20%	3%	3	3
Seguridad Interna: Bomberos	1	2	2	2	34%	6%	7	7
Seguridad Interna: Otros	0	0	0	0	48%	16%	0	0
Otros	5	6	5	6	-1%	-16%	22	20
Total	8	9	9	9	4%	-4%	33	33
Provisiones ONS	2	2	2	2	16%	38%	8	9
Refrigerio y Transporte Personal	1	1	1	1	2%	20%	3	3
Impuestos Legales: Otros	0	0	0	0	0%	0%	1	1
Total	3	3	3	3	0%	0%	12	12

Gastos de Recursos Humanos

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

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Millones de Bolivianos	Marzo			% desviación		Anual	
	2007 Ejecutado	2008 Presupuesto	2008 Ejecutado	vs 07	vs Pres	2007 Ejecutado	2008 Presupuesto
Gastos Recursos Humanos	48	47	45	-7%	-6%	173	208
Compensaciones	42	47	43	3%	-8%	161	196
Gastos de Personal	36	43	40	-16%	-8%	148	184
Salarios	35	43	43	13%	8%	148	183
Beneficios	(0)	(0)	(0)	39%	-43%	(0)	(0)
Outsourcing	3	0	0	0%	-29%	2	0
Rentado y transporte	2	2	2	6%	0%	8	6
Comisiones ventas	1	1	1	35%	-10%	13	4
Capacitación	0	0	0	0%	26%	3	3
Otros Generales	1	1	0	-55%	-49%	4	3
Gastos Operativos	0	0	0	1865%	5101%	0	0
Apoyo Solidario	1	0	1	-33%	1671%	2	1
Previsión litigios	4		(0)	-100%		4	4

Dotación de Recursos Humanos

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

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Cantidad	2007		Marzo		2008		% desviación		Anual	
	Ejecutado	Presupuesto	Ejecutado	Presupuesto	Ejecutado	Presupuesto	vs 07	vs Pres	Ejecutado	Presupuesto
Dotación	1,398	1,555	1,479	1,555	1,479	1,555	6%	-5%	1,502	1,610
Personal de Planta Grupo	1,345	1,555	1,477	1,555	1,477	1,555	10%	-5%	1,499	1,610
Personal de Planta Entel	985	1,099	1,047	1,099	1,047	1,099	6%	-5%	1,053	1,114
Personal de Planta Datacom	360	456	430	456	430	456	10%	-6%	446	496
Outsourcing	53		2		2		-96%		3	

Previsiones y Provisiones

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

entel
vivir sin fronteras

Millones de Bolivianos	Marzo				Anual	
	2007	2008	Presupuesto	% desviación vs 07	2007	2008
	Ejecutado	Ejecutado	Ejecutado	vs Pres	Ejecutado	Presupuesto
Deudores Incobrables	(3)	8	5	-33%	20	32
	(2)	8	5	-31%	19	31
	(26)	6	4	-81%	24	24
	7	6		-43%	23	24
	(33)				(33)	
	0	1	1	-27%	3	6
Condonaciones	24	0	0	-72%	24	1
Desvalorización de Inventarios	(1)	0			1	1

Depreciación y Amortización

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

entel
vivir sin fronteras

	Marzo				Anual		
	2007	2008	2008	% desviación	2007	2008	
Millones de Bolivianos	Ejecutado	Presupuesto	Ejecutado	vs 07	vs Pres	Presupuesto	
Depreciación de Activos Fijos	85	79	81	-5%	2%	326	316
Transmisión	83	76	78	-6%	2%	317	305
Conmutación	30	27	27	-12%	1%	113	107
Planta externa	15	14	14	-6%	1%	58	57
Equipo de Energía	9	9	9	-1%	-3%	36	38
Inmuebles	5	4	4	-12%	-2%	19	18
Terminales Telefónicas	2	2	2	-6%	1%	7	7
Activos Complementarios	3	3	3	10%	10%	11	11
Servicios especiales y vehículos	11	11	12	10%	10%	46	45
Amortizac. de Cargos Diferidos	7	6	6	-17%	6%	27	23
	2	3	3	21%	1%	10	11

Inversiones 2008

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008

entel
vivir sin fronteras

Millones de USD	2007		Anual			Marzo 2008		
	ejecutado	desborde 2007	presupuesto 2008	nueva inversion	desborde 2009	Ejecución	comprometido vs Pres	ejecutado vs Pres
Larga Distancia	22	9	30	2	38	15	41%	2 5%
Móvil	6	2	6	7	18	3	41%	0 6%
Telefonía Pública	11	7	12	0	0	8	44%	1 3%
Puntos Entel	0		0	0	0	0	83%	0 0%
Entelnet y Datos	0		0	0	0	0	87%	0 3%
Business Services	3	1	9	2	8	2	27%	0 6%
Tecnología de la Información	2		3	3	3	2	57%	0 7%
Seguridad y Antifraude	0	0		0	0	0	87%	0 0%
Logistica e Infraestructura	1	0	1	1	1	0	20%	0 17%

Inversiones Ejecutadas 1996 - 2008

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
29 de Abril de 2008



1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Mar-08	1996-2008
58	147	107	144	63	76	29	28	20	23	25	22	2	743
21	30	32	80	23	30	7	6	8	11	13	11	1	Móvil 271
26	71	53	37	15	21	8	13	2	5	6	6	0	LD 263
3	15	3	6	3	5	2	0						Local 37
1	3	4	4	5	3	2	2	3	3	2	3	0	IP/Datos/TV 37
2	4	1	9	5	3	1	1	1	0	0		0	TP 26
		1	0	1	3	3	2	2					Datacom 13
3	13	7	7	9	9	3	2	3	2	3	2	0	TDI 63
2	12	6	1	2	3	2	1	1	2	1	1	0	Logística 34

DECLARATION OF ACCURACY

I, Silvia Gil De Cwilich, hereby declare as follows:

I am fluent in Spanish and English and the following is, to the best of my knowledge and belief, a true and accurate translation from Spanish to English of the Entel PowerPoint presentation, "Análisis Económico-Financiero y Gestional Consolidado Marzo 2008," dated April 29, 2008.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct. Executed on June 18, 2008.

A handwritten signature in black ink, appearing to read 'Silvia Gil De Cwilich', with a long horizontal line extending to the right.

Silvia Gil De Cwilich

EXHIBIT 6



entel

Consolidated Financial-Economic & Management Report 2006

Confidential & Privileged Information
For the Board of ENTEL S.A.
February 14, 2007



Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007

entel
What you breathe.

1 Income Statement

	Year				% Change 06 vs. 05 06 vs. Bdgt
	2005 Actual	2006 Budget	2006 Actual		
Millions of BS					
4					
Gross Income	1,694	1,839	1,966	16%	7%
5					
Interconnection Cost	(232)	(243)	(312)	35%	28%
Net Income	1,463	1,595	1,654	13%	4%
6					
Third-Party Expenses	(543)	(627)	(584)	8%	-7%
10					
Payroll	(125)	(131)	(120)	-4%	-8%
Gross Margin	795	838	950	19%	13%
12					
Bad Debts	(45)	(45)	(71)	57%	57%
Inventory Devaluation	(2)	(2)	(1)	-52%	-63%
EBITDA	748	791	878	17%	11%
13					
Depreciation & Amortization	(430)	(422)	(379)	-12%	-10%
Operating Income	318	368	500	57%	36%
Extraordinary Mgmt. Balance	(8)	(17)	(13)	73%	-24%
EBIT	310	351	487	57%	39%
Financial Mgmt. Balance	83	(7)	29	-65%	-537%
Financial Income	109	12	515	-70%	188%
EBT	393	344	515	31%	50%
Taxes - I.U.E.	(56)	(63)	(109)	95%	73%
Net Earnings	337	281	406	20%	45%

of which:

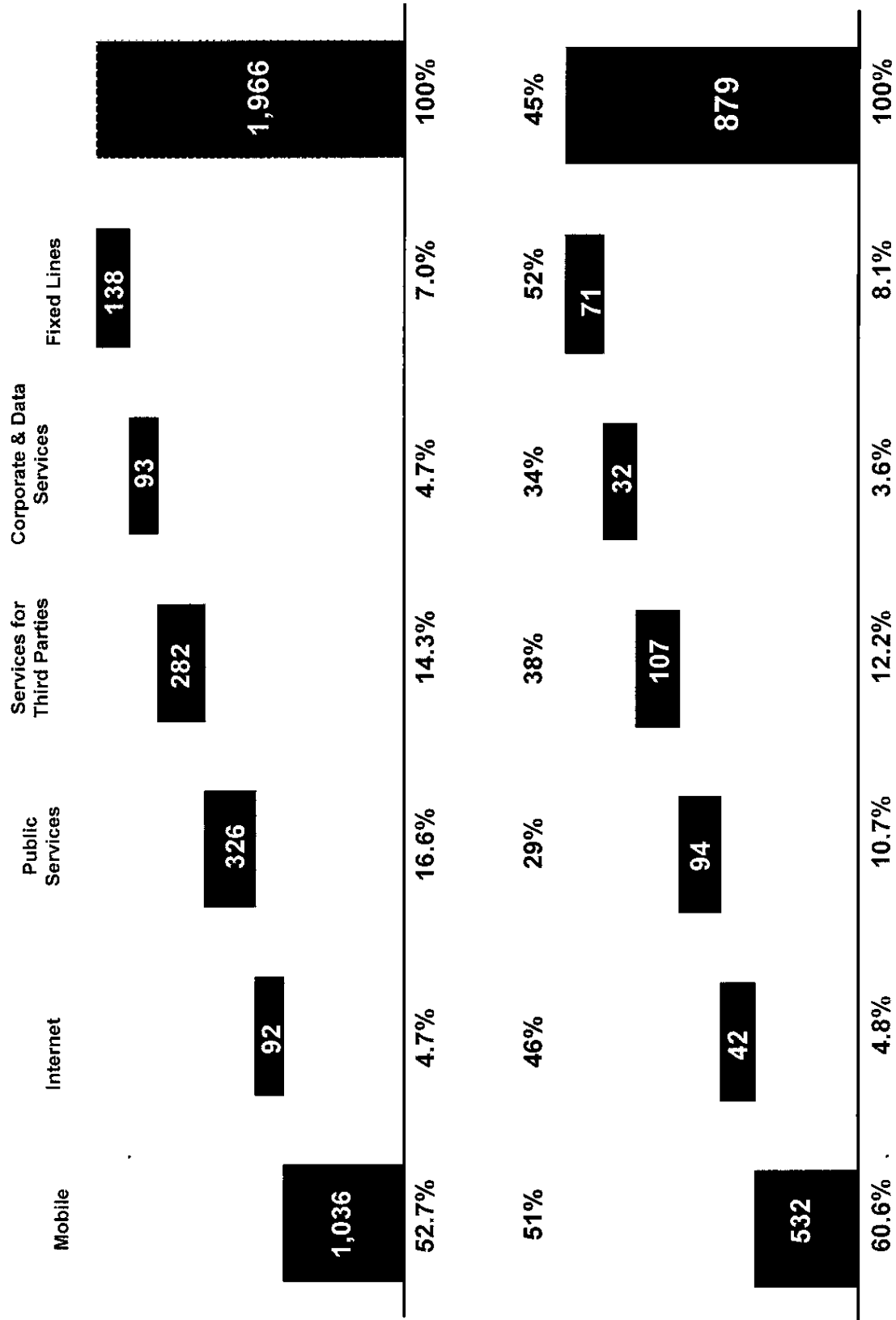
2 Business Areas

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



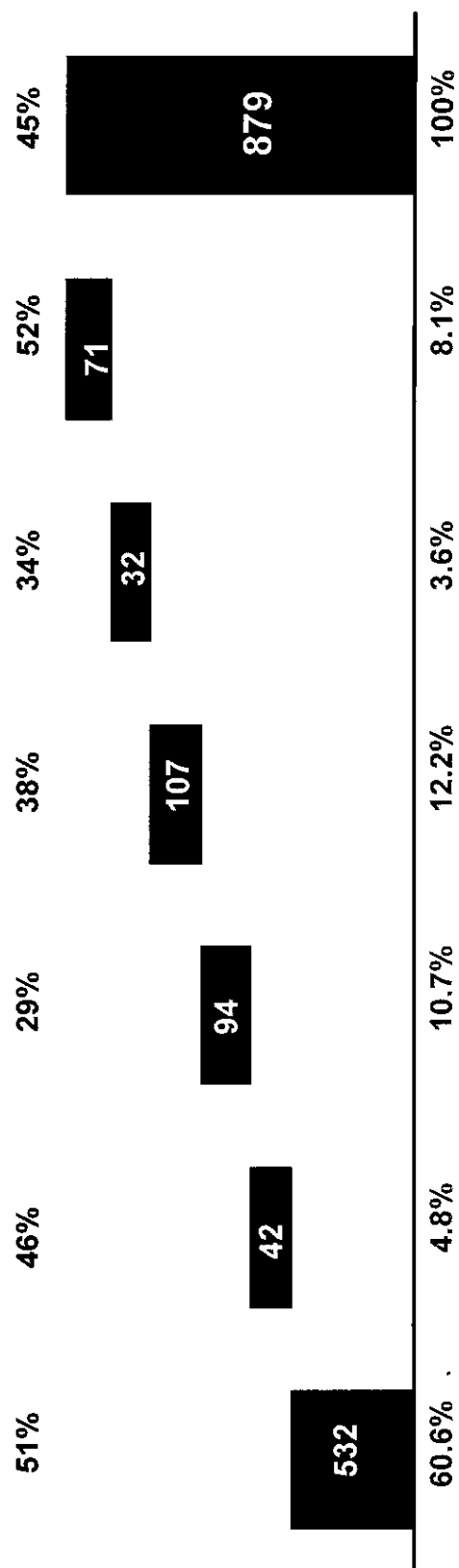
Income

Millions of B\$



EBITDA

Million of B\$



3 Balance Sheet

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



	Year			% Change 06 vs. 05	06 vs. Bdgt.
	2005 Actual	2006 Budget	2006 Actual		
Millions of B\$					
Assets	3,632	3,783	3,851	6%	2%
Current	1,126	1,409	1,540	37%	9%
Non-current	2,506	2,375	2,311	-8%	-3%
Liabilities & Shareholders' Equity	3,632	3,783	3,851	6%	2%
Current	526	641	674	28%	5%
Non-current	77	71	79	3%	12%
Shareholders' Equity	3,029	3,071	3,097	2%	1%

4 Cash Flow

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



In millions of B\$	Year			% Change 06 vs. 05 06 vs. Bdgt.
	2005 Actual	2006 Budget	2006 Actual	
Cash at Beginning of Year	3,043	395	395	-87%
Operating Income	1,652	1,993	1,724	4%
Operating Expense	(736)	(1,021)	(651)	-12%
Investments	(123)	(236)	(61)	-51%
Operating Cash Flow	793	735	1,013	28%
Financial Income - Expense	136	(2)	21	-85%
Taxes	(229)	(172)	(316)	38%
Exchange Rate Adjustments	34	5	(1)	-103%
Free Operating Cash Flow	734	566	717	-2%
Dividends	(152)	(320)	(300)	97%
Capital Reduction	(3,211)		(4)	-100%
Net Cash Flow (2,629)	246	246	413	-116%
Accounting Reconciliation	(18)		30	68%
Cash at End of Year	395	641	838	112%
				31%

5 Gross Income

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



Millions of B\$	Year			% Change 06 vs. 05	06 vs. Bdgt.
	2005	2006	2006		
	Actual	Budget	Actual		
Total	1,653	1,796	1,917	16%	7%
Telephony	1,165	1,273	1,314	13%	3%
Non-telephony	244	248	246	0%	-1%
Interconnection	193	238	272	41%	14%
Phone Sales	25	24	36	41%	50%
Other	25	13	50	101%	274%
Fixed	896	923	1,004	12%	9%
Telephony	665	709	761	15%	7%
Subscriber & Charges	10	13	11	10%	-10%
Special Services	94	69	61	-35%	-13%
Enternet	74	87	91	22%	5%
Wholesale Services	34	29	33	-3%	16%
Interconnection	4	5	14	292%	194%
Phone Sales	5	7	3	-42%	-57%
Other	10	5	29	203%	474%
Mobile	799	915	962	20%	5%
Telephony	500	563	552	10%	-2%
Subscriber & Charges	48	50	53	10%	6%
VAS	42	42	49	17%	17%
Card Sale Difference	(17)	1	(4)	-76%	-500%
Phone Sales	20	17	33	61%	91%
Interconnection	190	234	258	36%	11%
Other	15	8	20	35%	150%

6 Interconnection Cost

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



	Year			% Change 06 vs. 05 06 vs. Bdgt.
	2005 Actual	2006 Budget	2006 Actual	
Millions of B\$				
	232	243	312	35%
Local	61	55	96	56%
National	126	146	165	31%
International	44	41	51	16%

28%
73%
12%
24%

7 Third-Party Expenses

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



	Year			% Change 06 vs. 05
	2005 Actual	2006 Budget	2006 Actual	
Millions of Bs				
7	543	627	584	8%
8	Selling Expenses 241	279	254	-7%
9	Operating Expenses 171	210	173	6%
	General Expenses 114	119	138	1%
	Contribution to Superintendence 17	18	19	-18%
				21%
				16%
				8%
				5%

8 Selling Expenses

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



Millions of B\$	Year			% Change 06 vs. 05 06 vs. Bdgt.
	2006 Actual	2006 Budget	2006 Actual	
Cost of Goods & Services	241	279	254	6%
Collection Fees	38	38	42	10%
Commissions & Discounts	13	14	14	5%
	126	128	131	4%
Fixed sales	8	10	9	13%
Mobile sales	20	18	17	12%
Prepaid card sales	58	60	60	9%
Cash and telephone	39	38	41	8%
Ad-Entel sales	1	1	1	12%
Invoicing	2	3	2	-21%
Commercial Advertising	42	40	46	9%
Other Selling Expenses	19	56	20	2%
HR Expenses	17	18	16	-9%
Other	3	38	4	40%

vs. +16%
on
Income

9 Operating Expenses

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007

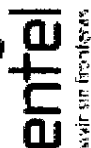


	Year				% Change 06 vs. 05 06 vs. Bdgt.
	2005		2006		
	Actual	Budget	Actual		
Millions of B\$					
	171	210	173	1%	-18%
of which:	2	1	1	-1%	-1%
Operating Leases	65	71	57	-12%	-19%
of which:					
Frequencies	23	28	19	12%	19%
Satellite Frequencies	25	24	22	10%	16%
Circuits	9	4	7	21%	65%
Maintenance	92	123	103	12%	-16%
of which:					
Switching Equipment	14	14	15	10%	7%
IT Equipment	16	17	16	1%	4%
Satellite Network Equip.	15	14	15	10%	5%
Transmission Equipment	12	18	13	17%	23%
Submarine Cable Restoration	6	5	5	-26%	-11%
IT Expenses	1	1	1	-16%	-21%
Fuels & Lubes	1	1	1	-3%	-20%
Other	5	8	6	3%	-32%

vs. +16%
on
Income

10 General Expenses

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



Millions of B\$	2005		2006		% Change	
	Actual	Budget	Actual	06 vs 05	06 vs Bdg	
HR Outsourcing	114	119	138	21%	16%	
Insurance	7	7	7	7%	0%	
Office Rent	7	9	8	12%	-6%	
Utilities	17	20	19	11%	-5%	
Maintenance Expenses	5	6	6	5%	-7%	
Fuels & Lubes	1	1	1	4%	15%	
Professional Services	19	18	19	-1%	4%	
Donations	2	2	2	13%	1%	
Corporate Advertising	4	4	3	-31%	-26%	
Travel	7	7	5	-24%	-24%	
Domestic	4	4	4	14%	18%	
International	3	3	3	35%	130%	
Training	3	4	2	-26%	-37%	
Security	9	10	9	9%	-3%	
Internal Security - Police	3	3	3	49%	48%	
External Security - Watchmen	6	6	6	9%	1%	
Other	0	0	0	29%	155%	
Other	32	32	56	74%	76%	
CNS & Labor Provisions	13	7	7	18%	2%	
Employee Meals & Transportation	19	25	19	35%	15%	
Taxes, Legal, Other						

Provisioned
Receivables:
21m
CNS Social Sec.
Contributions
16m

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007

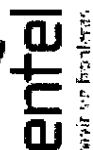


11 HR Expenses

Millions of Bs	Year			% Change 06 vs. 05
	2005 Actual	2006 Budget	2006 Actual	
HR Expenses	168	173	158	-8%
Salaries & Comp.	165	166	153	-8%
Personnel Expenses	126	131	120	-7%
- on payroll	125	131	120	-7%
Temp Employees	10	0	0	-100%
Outsourced	23	24	23	-4%
Meals & Transportation	13	7	7	0%
Sales Commissions	3	4	3	-25%
Training & Ed	3	4	2	-24%
Other General Ex.	2	2	2	0%
Operating Expenses	0	0	0	0%
Solidarity Support	(1)	0	1	100%
Litigation Allowance	0	1	(0)	-100%

-7.8m
CNS refund
-1.5m provision
MBO 2005

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



vs. +16%
on
Income

12 Headcount

	Year			% Change 06 vs. 05 06 vs. Bdgt.
	2005 Actual	2006 Budget	2006 Actual	

Headcount	1,542	1,588	1,387	-10%	-13%
Employees on Payroll	854	871	1,005	18%	15%
Temp Employees					
Outsourced	688	717	382	-44%	-47%

Average Headcount	1,536	1,574	1,507	-2%	-4%
Employees on Payroll	860	871	883	3%	1%
Temp Employees	3	1		-100%	-100%
Outsourced	673	703	624	-7%	-11%

	Year			% Change 06 vs. 05 06 vs. Bdgt.
	2005 Actual	2006 Budget	2007 Actual	

Average HR Cost	109	110	105	-4%	-4%
Average Compensation	107	105	101	-6%	-4%

Thousands of B\$

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



13 Allowances & Provisions

Millions of B\$	Year			% Change 06 vs. 05	06 vs. Bglt.
	2005 Actual	2006 Budget	2006 Actual		
Bad Debts	47	47	72	53%	52%
Fixed	45	45	71	57%	57%
Variable	38	36	64	69%	78%
Mobile	5	7	4	-16%	-42%
Waivers	3	2	3	2%	15%
Inventory Devaluation	2	2	1	-52%	-63%

14 Depreciation & Amortization

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007

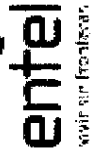


	Year			% Change 06 vs 05	06 vs Bldgt
	2005 Actual	2006 Budget	2006 Actual		
Millions of B\$					
Fixed Asset Depreciation	430	422	379	-12%	-10%
Transmission	401	401	369	-8%	-8%
Switching	140	155	142	1%	-9%
Outside Plant	68	69	63	-7%	-9%
Energy System	36	39	36	0%	-9%
Real Estate	22	23	21	-2%	-7%
Telephone Terminals	8	9	8	1%	-8%
Supplementary Assets	11	10	11	-7%	5%
Special Services & Vehicles	78	52	50	-36%	-5%
Amortization of Deferred Charges	38	43	38	2%	-10%
	29	21	9	-69%	-57%

erle

Millions of USD	Year						2006 Over Budget
	2005 Actual	2006 Budget	2006 Actual	% Change 06 vs. 05	2006 Committed		
	23	28	25	7%	-11%	28	3
Long Distance	5	7	6	4%	-16%	6	1
Mobile	11	14	13	19%	-6%	14	1
Pay Phones		0	0		-77%	0	
Entel Points	0	0	0	3%	107%	0	0
Entelnet and Data	3	3	2	-23%	-33%	3	1
Business Services	0		0	-83%		0	
Information Technology	1	2	2	57%	20%	2	0
Security & Anti-fraud	0	0	0	15%	48%	0	
Logistics & Infrastructure	2	2	1	-38%	-37%	1	0

Confidential & Privileged Information
For the Board of Entel S.A.
February 14, 2007



16 Investments Made 1996 - 2006

	Entel	Datacom	Consolidated
Millions of USD	706	13	719
1996	58		58
1997	147		147
1998	106	1	107
1999	144	0	144
2000	62	1	63
2001	73	3	76
2002	26	3	29
2003	26	2	28
2004	18	2	20
2005	23		23
2006	25		25

The logo for Entel, consisting of the word "entel" in a lowercase, sans-serif font.

Análisis Económico Financiero Consolidado Gestión 2006

Información Confidencial y Privilegiada
para el Directorio de ENTEL S.A.
14 de Febrero de 2007

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007



1 Estado de Resultados

	Anual			% desviación
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	06 vs 05
Millones de Bolivianos				
4 Ingresos Brutos	1,694	1,839	1,966	16%
5 Costo de Interconexión	(232)	(243)	(312)	35%
Ingresos Netos	1,463	1,595	1,654	13%
6 Gastos con Terceros	(543)	(627)	(584)	8%
10 Gastos de Personal	(125)	(131)	(120)	-4%
Margen Operativo Bruto	795	838	950	19%
12 Deudores Incobrables	(45)	(45)	(71)	57%
Desvalorización de Inventarios	(2)	(2)	(1)	-52%
EBITDA	748	791	878	17%
13 Depreciación y Amortización	(430)	(422)	(379)	-12%
Resultado Operativo	318	368	500	57%
Saldo Gestión Extraordinaria	(8)	(17)	(13)	73%
EBIT	310	351	487	57%
Saldo Gestión Financiera	83	(7)	29	-65%
Ingresos Financieros	109	12	33	-70%
EBT	393	344	515	31%
Impuestos - I.U.E.	(56)	(63)	(109)	95%
Utilidad Neta	337	281	406	20%

del cual

-537%

185%

50%

73%

45%

2 Área de Negocio

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
www.entel.com.uy

Ingresos

Millones de Bs.

Móvil	Internet	Servicios Públicos	Servicios a otros operadores	Servicios empresariales y datos	Líneas fijas	
1,036	92	326	282	93	138	1,966
52.7%	4.7%	16.6%	14.3%	4.7%	7.0%	100%

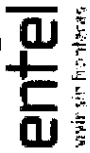
EBITDA

Millones de Bs.

532	42	94	107	32	71	879
60.6%	4.8%	10.7%	12.2%	3.6%	8.1%	100%
51%	46%	29%	38%	34%	52%	45%

3 Balance General

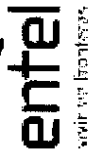
Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007



	Anual			% desviación 06 vs 05 06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
Miliones de Bolivianos				
Activo	3,632	3,783	3,851	6%
Corriente	1,126	1,409	1,540	37%
Disponibilidad Financiera	395,646	642	112	31%
no Corriente	2,506	2,375	2,311	-8%
Pasivo y patrimonio Neto	3,632	3,783	3,851	6%
Corriente	526	641	674	28%
no Corriente	77	71	79	3%
Patrimonio Neto	3,029	3,071	3,097	2%
				1%

4 Flujo de Caja

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007



Millones de Bolivianos	Anual			% desviación 06 vs 05
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
Disponibilidad Inicial	3,043	395	395	-87%
Ingresos Operativos	1,652	1,993	1,724	4%
Gastos Operativos	(736)	(1,021)	(651)	-12%
Inversiones	(123)	(236)	(61)	-51%
Operating cash Flow	793	735	1,013	28%
Ingresos - Gastos Financieros	136	(2)	21	-85%
Impuestos	(229)	(172)	(316)	38%
Ajuste Tipo de Cambio	34	5	(1)	-103%
Operating Free Cash Flow	734	566	717	-2%
Dividendos	(152)	(320)	(300)	97%
Reduccion de Capital	(3,211)		(4)	-100%
Flujo Neto	(2,629)	246	413	-116%
<i>Conciliación Contable</i>	(18)		30	68%
Disponibilidad Final	395	641	838	112%
				31%

5 Ingresos Brutos

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
comunicación por todo el mundo

Millones de Bolivianos	Anual			% desviación 06 vs 05 06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
Total	1,653	1,796	1,917	16%
Telefonía	1,165	1,273	1,314	13%
Interconexión	244	248	246	0%
Venta de Aparatos	193	238	272	41%
Otros	25	24	36	41%
	25	13	50	101%
				274%
Fija	896	923	1,004	12%
Telefonía	665	709	761	15%
Abonos y Cargos	10	13	11	10%
Servicios Especiales	94	69	61	-35%
Servicios de Entelnet	74	87	91	22%
Servicios Wholesale	34	29	33	-3%
Interconexión	4	5	14	292%
Venta de Aparatos	5	7	3	-42%
Otros	10	5	29	203%
Móvil	799	915	962	20%
Telefonía	500	563	552	10%
Abonos y Cargos	48	50	53	10%
Servicios Especiales	42	42	49	17%
Servicios de Entelnet	(17)	1	(4)	-76%
Servicios Wholesale	20	17	33	61%
Interconexión	190	234	258	36%
Otros	15	8	20	35%
				150%

6 Costo de Interconexión

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
vivir sin fronteras

	Anual			% desviación 06 vs 05 06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
Millones de Bolivianos				
	232	243	312	35%
Local	61	55	96	56%
Nacional	126	146	165	31%
Internacional	44	41	51	16%
				28%
				73%
				12%
				24%

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
entel.com.bo

7 Gastos con Terceros

	Anual			% desviación 06 vs 05 06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
Millones de Bolivianos				
	543	627	584	8%
Comerciales	241	279	254	6%
Operaciones	171	210	173	1%
Generales	114	119	138	21%
Aporte a la Superintendencia	17	18	19	8%
				5%

7

8

9

8 Gastos Comerciales

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
vivir sin fronteras

Millones de Bolivianos	Anual		% desviación 06 vs 05 06 vs Pres
	2006 Ejecutado	2006 Presupuesto	
Costo de los Servicios y Productos	241	279	6%
Comision Cobranza	38	38	10%
Comisiones y Descuentos	13	14	5%
	126	128	4%
Ventas Fija	8	10	13%
Ventas Movil	20	18	12%
Ventas Tarjetas	158	60	163%
Cads y Puntos Entel	39	38	15%
Ventas Aquil Entel	1	1	12%
Facturacion	2	3	21%
Publicidad Comercial	42	40	9%
Otros Gastos Comerciales	19	56	2%
Outsourcing RU	17	18	3%
otros	3	38	10%

vs +16%
en los
ingresos

9 Gastos de Operación

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
vivir sin fronteras

Millones de Bolivianos	Anual			% desviación 06 vs 05
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
del cual	171	210	173	-18%
Outsourcing RH	2	1	1	-12%
Alquileres Operativos	65	71	57	-19%
del cual				
Frecuencias	28	28	28	0%
Frecuencias satelitales	26	24	22	-15%
Otros	9	4	7	75%
Mantenimiento	92	123	103	-16%
del cual				
Equipos de comunicación	11	14	13	-7%
Equipos informáticos	16	17	16	-6%
Equipos red satelital	15	14	13	-13%
Equipos de transmisión	12	18	17	-6%
Restauración Cable Submarino	6	5	5	-11%
Gastos Informáticos	1	1	1	-21%
Combustibles y Lubricantes	1	1	1	-20%
Otros	5	8	6	-32%

vs +16%
en los
ingresos

10 Gastos Generales

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
vía telefónica

Millones de Bolivianos	Anual			% desviación 06 vs 05	06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado		
114	119	138	16%	100%	100%
Seguros	7	7	7%	0%	0%
Alquileres Dependencias Adm.	7	9	8	12%	-6%
Servicios Básicos	17	20	19	11%	-5%
Gastos de Mantenimiento	5	6	6	5%	-7%
Combustibles y Lubricantes	1	1	1	4%	15%
Servicio de Profesionales	19	18	19	-1%	4%
Donaciones	2	2	2	13%	1%
Publicidad Institucional	4	4	3	-31%	-26%
Pasajes y Viáticos	7	7	5	-24%	-24%
Nacionales	4	4	4	14%	18%
Internacionales	3	3	3	35%	30%
Capacitación	3	4	2	-26%	-37%
Seguridad	9	10	9	9%	-3%
Seguridad Interna	3	3	3	9%	8%
Seguridad Externa	6	6	6	9%	11%
Otros	0	0	0	29%	56%
Otros	32	32	55	74%	76%
Provisiones CNS y laborales	-	-	17	100%	100%
Remedio y Transporte Personal	13	7	7	48%	22%
Impuestos Legales Otros	19	25	12	35%	51%

Créditos provisionados:
21m
aportes laborales CNS
16m

11 Gastos de Recursos Humanos

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
vivir con propósito

Millones de Bolivianos	Anual			% desviación 06 vs 05 06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
Gastos Recursos Humanos	168	173	158	-6%
Compensaciones	165	166	153	-8%
Gastos de Personal	125	131	120	-7%
Planta	125	131	120	-7%
Eventuales	0	0	0	-
Outsourcing	23	24	23	-4%
Requerimiento y Transporte	13	7	7	-49%
Comisiones y ventas	0	4	4	100%
Capacitación	3	4	2	-24%
Otros Generales	2	2	2	52%
Gastos Operativos	0	0	0	-17%
Apoyo Solidario	(1)	0	1	-176%
Provisión litigios	0	1	(0)	-220%

-7.8m
devolución CNS
-1.5m provision
MBO 2005

12 Dotación de Recursos Humanos

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007



Cantidad	Anual			% desviación 06 vs 05 06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	
Dotacion	1,542	1,588	1,387	-10%
Personal de Planta	854	871	1,005	18%
Personal Eventual				-13% 15%
Outsourcing	688	717	382	-44%
Dotacion promedio	1,536	1,574	1,507	-2%
Personal de Planta	860	871	883	3%
Personal Eventual	3	1		-100%
Outsourcing	673	703	624	-7%

**vs +16%
en los
ingresos**

Miles de bolivianos	Anual			% desviación 06 vs 05 06 vs Pres
	2005	2006	2007	
	Ejecutado	Presupuesto	Ejecutado	
Costo RH Promedio	109	110	105	-4%
Compensación promedio	107	105	101	-6%

13 Provisiones y Provisiones

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
vivir sin fronteras

Millones de Bolivianos	Anual			% desviación 06 vs 05	06 vs Pres
	2005 Ejecutado	2005 Presupuesto	2006 Ejecutado		
Deudores Incobrables	47	47	72	53%	52%
Fijo	45	45	71	57%	57%
Masivos	38	36	64	69%	78%
AXS	31	36	64	117%	160%
TIS	7			268%	
UNETE					
Canales de Televisión					
Móvil	5	7	4	-16%	-42%
Condonaciones	3	2	3	2%	15%
Desvalorización de Inventarios	2	2	1	-52%	-63%

14 Depreciación y Amortización

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007



Millones de Bolivianos	Anual			% desviación 06 vs 05	06 vs Pres
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado		
Depreciación de Activos Fijos	430	422	379	-12%	-10%
Transmisión	401	401	369	-8%	-8%
Commutación	140	155	142	1%	-9%
Planta externa	68	69	63	-7%	-9%
Equipo de Energía	36	39	36	0%	-9%
Inmuebles	22	23	21	-2%	-7%
Terminales Telefónicas	8	9	8	1%	-8%
Activos Complementarios	11	10	11	-7%	5%
Servicios especiales y vehículos	78	52	50	-36%	-5%
Amortizac. de Cargos Diferidos	38	43	38	2%	-10%
	29	21	9	-69%	-57%

15 Inversiones 2006

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007

entel
por sus fronteras

Millones de USD	Anual				% desviación		2006 Comprometido	2006 Desborde
	2005 Ejecutado	2006 Presupuesto	2006 Ejecutado	2006 Presupuesto	06 vs 05	06 vs Pres		
Larga Distancia	23	28	25	28	7%	-11%	28	3
Móvil	5	7	6	7	4%	-16%	6	1
Telefonía Pública	11	14	13	14	19%	-6%	14	1
Puntos Entel	0	0	0	0		-77%	0	0
Entelnet y Datos	3	3	2	3	3%	107%	0	1
Business Services	0		0		-23%	-33%	3	0
Tecnología de la Información	1	2	2	2	-83%	20%	0	0
Seguridad y Antifraude	0	0	0	0	57%	48%	2	0
Logística e Infraestructura	2	2	1	2	15%	-37%	0	1

16 Inversiones Ejecutadas 1996 - 2006

Información Confidencial y Privilegiada
para el Directorio de Entel S.A.
14 de Febrero de 2007



	Entel	Datacom	consolidado
	706	13	719
1996	58		58
1997	147		147
1998	106	1	107
1999	144	0	144
2000	62	1	63
2001	73	3	76
2002	26	3	29
2003	26	2	28
2004	18	2	20
2005	23		23
2006	25		25

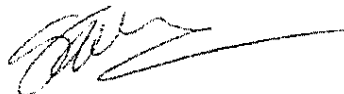
Millones de USD

DECLARATION OF ACCURACY

I, Silvia Gil De Cwilich, hereby declare as follows:

I am fluent in Spanish and English and the following is, to the best of my knowledge and belief, a true and accurate translation from Spanish to English of the Entel PowerPoint presentation, "Análisis Económico Financiero Consolidado Gestión 2006," dated February 14, 2007.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct. Executed on June 18, 2008.

A handwritten signature in black ink, appearing to be 'Silvia Gil De Cwilich', with a long horizontal flourish extending to the right.

Silvia Gil De Cwilich

EXHIBIT 7



Court Orders and Levies Department
LA2-9381
451 Florida Street
Baton Rouge, Louisiana 70801

Friday, May 09, 2008

ORRIC HERRINGTON & SUTCLIFFE LLP
666 FIFTH AVENUE
NEW YORK, NY 10103

**Re: ETI EURO TELECOM INTERNATIONAL NV vs REPUBLIC OF BOLIVIA AND EMPRESA NACIONAL DE ET AL,
et al.**

CASE No: 08CV4247

JPMorgan Chase Bank, N.A. ("JPMC") is in receipt of your Temporary Restraining Order for the above referenced case.

JPMC conducted a search of its current systems of the named judgment debtors. The amounts held in each account is listed below:

Received Date	Account Number	Amount of Hold	Present Balance
Thursday, May 08, 2008	304279757	\$23,000,001.02	\$1,701,795.19
Thursday, May 08, 2008	400216752	\$23,000,001.02	\$118,057.10

If funds not held, provide reasons:

Please allow this letter to serve as JPMC's answer to the Order.

If you should have any questions regarding this matter, please contact the bank at (225) 332- 7250 between the hours of 8:00am - 6:00pm CST.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jennifer R. Smith".

JENNIFER R SMITH
Legal Processing Specialist
JPMorgan Chase Bank, N.A.
Court Orders and Levies Department